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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1187

McNINCH SEES PROGRESS IN PAST FISCAL YEAR

Steering clear of any major legislative recommendations, the Federal Communications Commission on Thursday submitted its Fourth Annual Report to Congress with a letter from Chairman Frank R. McNinch commenting on what he termed "substantial progress" in the administration of the Commission.

He advised Congress, however, that the Commission is under-staffed and that the need for additional personnel accounts for an increase of $293,175 in the FCC budget, bringing it to $2,038,175, the largest amount yet recommended for administration of the radio and communications industries.

Hearings on the budget are expected to be held this month by a sub-committee of the House Appropriations Committee already engaged in studying estimates for independent offices and commissions.

At the same time members of the FCC will be questioned closely, it was learned, regarding the recent "purge" and dissension within the Commission. Representative Woodrum (D.), of Virginia, is Chairman of the sub-committee.

Chairman McNinch in his letter that accompanied the FCC annual report promised a final report of the Commission on the American Telephone & Telegraph Company investigation before Congress adjourns. It has been almost a year since he submitted the "proposed report", prepared by Commissioner Paul Walker.

The FCC Chairman also predicted that "much information of value" will come from the chain-monopoly inquiry which was resumed this week and promises to continue well into the Spring.

The Commission is studying methods of organizing all communications facilities, he said, so they may be used promptly and efficiently in any section in event of national emergency, such as national defense, floods, hurricanes, or fires.

Declaring that the year ended on June 30, last, and the succeeding months had been a period of "significant developments" which, together with amendments to the 1934 Communications Act, had increased considerably the scope and importance of the Commission's administrative and regulatory task, Mr. McNinch reported the FCC to be "practically" up to date with its work, but only through a speeding-up process in the last few months and an increasing amount of overtime estimated at more than 2,000 days in the last fiscal year.

"To remedy this situation of understaffing, overload and accumulation, as well as to provide more adequate and effective facilities for regulation", he said, "the Commission has recommended this year a substantial increase in its budget."

"Reforms" already undertaken, including a reorganization of Commission activities, "promise decidedly improved administration of the Communications Act", but these steps alone "cannot be a complete cure" for the Commission's overload of work, according to Mr. McNinch.

Establishment of 47 new stations was authorized in the fiscal year, representing a little more than one-third of the new stations for which applications were filed, and bringing to a total of 747 the number authorized which by December 1, 1938, had increased to 763. Broadcast authorizations applied for numbered nearly 7,000, including applications for emergency, temporary and experimental character.

"Increasing use of radio for police, marine, fire, aviation and other services has swelled the number of professional operators who must be licensed by the Commission, until the total number is rapidly nearly 40,000", Mr. McNinch reported. "The Commission also licenses approximately 50,000 operators of amateur stations.

"The new responsibility placed upon the Commission by the Seventy-fifth Congress to promote safety of life and property through wire and radio communications, has increased greatly the Commission's duties in maintaining radio on vessels, both American and foreign.

"Radio facilities for aviation have been advanced to the point that installations for instrument landing systems are being made at several of the major airports, with the expectation that such systems will be in actual service in the United States within a few months."

In the field of wire communications noteworthy progress has been made, including development of new types of carrier telephone systems "which are expected to affect profoundly the future of telephony", according to Chairman McNinch.

"One new system provides twelve additional carrier channels, so that a single pair of open wires may be used for a total of sixteen telephone channels", he said.

Among the situations studied by the Commission with a view to revised legislation was unlicensed operation of radio equipment by school children, which, the report noted, might be made a misdemeanor, with lesser penalties but more effective enforcement. Under the present law such operation is a felony and "because of the severe penalties, indictments in such cases are approached with reluctance by the Commission, prosecutors and grand juries", the report declared.

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REAPPOINTMENT OF CASE EXPECTED SOON

With prospects for any immediate shake-up in the personnel of the Federal Communications Commission apparently remote for the time, the reappointment of Norman S. Case as a Republican member of the FCC is expected to be submitted to the Senate for confirmation next week.

Commissioner Case was reappointed upon the expiration of his term last Summer, but he must be renamed and confirmed by the Senate in order to continue in office.

President Roosevelt put at rest last week persistent rumors that the resignation of George Henry Payne had been demanded. At a press conference he stated that no immediate reorganization of the Commission is in prospect and that Mr. Payne had called at the White House a fortnight ago only to state that he was ill and would be out of the city for a time.

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COMMITTEE STUDIES JOURNAL TELEVISION REQUEST

An application of the Milwaukee Journal Company to inaugurate an experimental television service to the public, and a proposal for television transmission standards, were referred this week to a committee of three Commissioners for study and recommendation to the Commission. The committee is composed of Commissioners Craven, Brown and Case.

The Journal Company's application is the first application looking to establishment of an experimental program service for reception in the home as distinguished from fundamental research or technical experimentation in the art of developing television apparatus. The Commission has previously issued a number of licenses for technical experimentation only.

The proposed standards for television transmission were recommended to the Commission recently by the Radio Manufacturers' Association. The Commission has taken no action upon the recommendation. Some manufacturers and experimenters have expressed opposition to the promulgation of standards.

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MBS BILLINGS UP 37% FOR DECEMBER

Billings of the Mutual Broadcasting System in December totaled $337,268.83, as compared with $245,465 for December, 1937, a gain of 37.4 per cent. For the year the total was $2,920,323.65, as compared with $2,239,077.54, a gain of 30.4 per cent.

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LOHR SAYS NBC WILL CURB CHILDREN'S PROGRAMS

More rigid control of children's programs will be exercised by the National Broadcasting Company in the future, Lenox Lohr, President, disclosed Wednesday as the FCC chain-monopoly inquiry resumed after a holiday recess. At the same time he announced that the NBC had decided to discontinue all broadcasting of beer and wine advertising.

Elimination of stories containing excessive gun play and violence, as well as those filled with scenes of horror and torture, is the chief objective of the new regulations, Major Lohr said. He stated, however, that little cause for complaint had been furnished by NBC's broadcasts up to date.

Chairman Frank B. McNinch and Commissioners Thad H. Brown, Paul A. Walker and Eugene O. Sykes sat for the Commission.

Examination of NBC's president followed testimony of Mark Woods, Vice-President and Treasurer, which was devoted to figures for operating expenses and income from 1926 through December 1937. The witness strove to show the narrow margin that existed over the entire period. In only one year, 1926, was there a loss, he said.

Examination of Major Lohr was conducted by Philip J. Hennessey, Jr., NBC counsel in Washington.

Business reasons, as well as an intention of serving the public and broadcasters to the fullest possible extent, were explained by the president as animating his establishment of long-term broadcasting contracts, affiliation of local stations throughout the country with the main originating stations of the network, and the establishment of an Advisory Council, and a department to pass on scripts submitted by broadcasters.

Chairman McNinch subjected Major Lohr to cross-examination, evidently with the purpose of establishing whether the NBC or the advertiser had the greater influence in determining the character of broadcasts. The witness described the entire setup to prove that the final word was and will continue to be spoken by the broadcasting company.

Prefacing his description with the statement that the network had found it physically impossible to allow wide-open opportunities for all religious sects in the country to buy space, Mr. Lohr told of the formation of three main committees, composed of Protestants, Catholics and Jews, which select representatives to broadcast on religious themes, barring all dogmatic and sectarian discussions.

Operation of an Advisory Council composed of qualified representatives of national and international authority, with whom the NBC can discuss and check the correctness of their judgment on matters of public policy, was also described.

Several existing policies of the company are to be discussed with the full Council on January 9, Major Lohr announced. These include the policy on religious broadcasts, on controversial subjects - which now are proscribed, except as they enter a broadcast accidentally or in a secondary capacity, and the question of children's broadcasts. The question of the proportion of a program that may be devoted to commercial "plugs" will also receive consideration from the Council, although the NBC President stated his opinion that no rigid rule should be applied.

The witness submitted a list of these regulations in tentative form. They specified that programs must accord in general tone with law and order, respect for adult authority, good morals, and clean living. Heroes must not be portrayed who are not intelligent and worthy of respect. The principles of fair play must be observed. They must contain no torture or suggestion of horror, and no horror present or impending. They must be free of the supernatural or the superstitious tending to horror, and shall not dwell on kidnaping, vulgarity, or morbid symptoms and superstitions. In dramatic action there must not be an excessive amount of gun-play or violence. There must be no "sound effects" of death or physical torture.

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I.T.T. AFFILIATE GETS COPENHAGEN CONTRACT

Standard Electric Aktieselskab, associated company in Denmark of the International Telephone and Telegraph Corporation, reports that it has received an order from the Danish Authorities to supply the complete studio equipment for the new Broadcasting House to be erected in Copenhagen. This is to be one of the largest radio centers in Europe, and will have several features new to studio equipment and studio arrangement.

The progressive policies of the Danish Broadcasting Authorities have been principally responsible for the fact that Denmark has one of the highest radio receiving set developments outside of the United States with 214 per 1,000 population. Development in the United States, including automobile sets, is approximately 290.

Denmark has three major broadcasting stations, including Kalundborg station which is a 60 KW. installation.

The contract with Standard Electric A/S covers supply of complete speech input and studio equipment for the new Copenhagen building which will house twenty studios and the administrative offices of the broadcasting service. The studios include a concert hall, which will be one of the largest single studios in the world, designed to pick up 100 instrumentalists or a chorus of approximately 110. One of the more interesting new features is a special suite of four studios, for the production of radio plays, all arranged to be visible to and controlled by the producer from one dramatic control desk.

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NEW PROCEDURE IN MOTIONS DOCKET STARTED

The Federal Communications Commission's newly established Motions Docket procedure, set up under the New Rules of Practice and Procedure, which became effective January 1st, was inaugurated on Friday when Commissioner Paul A. Walker heard motions and petitions in nine pending cases. The motions docket will be called at 10 A.M. on Friday of each week.

Under the old rules most of the motions and petitions were handled by a Commissioner without hearing the parties and without specific and uniform provision for the filing of opposition, although opposition was considered when it was offered.

Under the new plan the Commissioner designated to the Motions Docket will study the motions and petitions and will also hear the parties at an open hearing. Full provision has been made for notice and opposition both through the filing of counter-motions and counter-petitions and through argument. A member of the Law Department will be present at hearings.

The Commissioner presiding will pass upon all motions, petitions, or matters in cases designated for formal hearing, excepting motions and petitions requesting final disposition of a case on its merits, those having the nature of an appeal to the Commission, and those requesting change or modification of a final order made by the Commission.

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REGIONAL RADIO PACT ANNOUNCED BY U. S.

The State Department last week announced the result of the Regional Radio Conference recently held at Guatemala City.

The Conference, which was called by the Government of Guatemala, was designed to effect an allocation of broadcasting frequencies for the countries of Central America, Panama, and the Canal Zone within the frequency band of 2300 to 2400 kilocycles. Broadcasting frequencies for this region in the band indicated were desired because of static due to climatic conditions which affected broadcasts in the standard broadcasting band of 550 to 1600 kilocycles.

It was the desire of all participating States that there be accorded to each, including the Canal Zone, one primary frequency which might be used by each with sufficient power to reach all of Central America and Panama. It was also desired that there be accorded each participating State one secondary channel for use on a purely local basis. The allocation of these frequencies involved consideration of the needs of the military radio facilities related to the defense of the Panama Canal.

With the cooperation of all participating delegations, the delegation from the United States representing the Canal Zone was able to effect an agreement with respect to a plan of allocation which meets the requirements of all the countries represented while at the same time procuring the insertion in the Convention of clauses designed adequately to protect the radio facilities in the Canal Zone.

The delegates were Fay Allen Des Portes, American Minister to Guatemala, Chairman; Harvey B. Otterman, Division of International Communications, Department of State, Vice Chairman; Lieut. Col. David M. Crawford, United States Army; Lieut. Commdr. Mervin Arps, United States Navy; Gerald C. Gross, Chief of the International Division, Federal Communications Commission.

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FCC SETS LA GUARDIA PLEA FOR HEARING

The Federal Communications Commission this week set for hearing a petition of Mayor Fiorello H. LaGuardia, of New York City, in the matter of Station WNYC, municipally owned broadcast station of that city.

The Mayor petitioned the Commission to amend certain of its rules in order to permit the rebroadcasting of programs of high frequency and international broadcast stations, by regular broadcast stations whose licensees are universities, other educational institutions, municipalities, other government agencies, or other non-commercial non-profit-making organizations.

As now written the rules of the Commission do not prohibit the rebroadcasting of programs of high frequency broadcast stations but merely require the authority of the Commission for the rebroadcast. However, the rules do not permit regular broadcast stations to rebroadcast the programs of international broadcast stations located within the United States except where wire lines are not available to transmit the programs to regular broadcast stations.

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CBS DECEMBER SALES UP; YEAR DOWN

Gross billings for the year 1938 on the Columbia Network totaled $27,345,397. December, 1938, grossed $2,529,060, rising 3.1% over November. Totals for the 12 months of 1937, and for December a year ago, respectively, were $28,722,118 and $2,786,618. These data, in tabular form, are as follows:

	1938	1937
December	$2,529,060	$2,786,618
Full Year	$27,345,397	$28,722,118

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RCA DIRECTORS NAMED IN STOCKHOLDERS SUITS

Three stockholders' suits have been instituted in the New York Supreme Court against present and former officials and Directors of the Radio Corporation of America charging that they negligently and fraudulently permitted the dissipation and waste of corporate assets, according to the New York Times. In one action the loss to the corporation is estimated at about $500,000,000. In the other two no estimates are made.

Existence of the suits was disclosed this week when the defendants moved before Justice Aaron J. Levy to consolidate the three so that they could be disposed of at a single trial. Justice Levy reserved decision on the motion.

The plaintiffs in all three suits have minor holdings of Radio Corporation stock. They are suing on behalf of themselves and all other stockholders and ask that the defendants be required to repay the corporation any amounts found to have been taken from its treasury improperly.

Besides present and former officials, defendants in the actions include the General Electric Company, Westinghouse Electric and Manufacturing Company and the American Telephone and Telegraph Company. The corporate defendants are alleged to have received improper payments from Radio Corporation.

In an action brought by Rose Druckerman, owner of twenty-five shares of Radio common, forty individual defendants are named.

The other actions were brought by George Saievetz and by Leo J. Coslow and Jacob Fox. They list fewer individual defendants, virtually all of whom are included in the Druckerman list.

In all three complaints an attack is made on Radio directors for their alleged failure to regain 2,000,000 shares of Radio common given to General Electric and Westinghouse in 1932 allegedly in return for certain patent and other rights said to have been terminated by a consent decree in an anti-trust suit. The Druckerman complaint said that this failure caused an $80,000,000 loss to RCA.

The Druckerman complaint also alleged that RCA lost $250,000,000 as the result of a deal with General Electric and Westinghouse which originated in 1929. In this transaction, it is charged, 6,580,375 shares of Radio common, allegedly worth $290,000,000, were given the two corporations for assets said to be worth not more than $39,300,000.

In formal answers the individual and corporate defendants denied any wrong-doing. The present and former officials assert that they acted at all times in the best interests of RCA. They also assert that their acts were approved and ratified by the stockholders of the corporation and, in the case of the 1932 consent decree, by the Federal courts.

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TWO NETWORKS DROP PRESS-RADIO NEWS

The Columbia Broadcasting System and the National Broadcasting Company have discontinued broadcasting news sent to them by the Press-Radio Bureau. The networks broadcast news summaries at their usual periods but attributed the news to the "existing press services", which meant a United Press service for NBC and CBS and International News Service for NBC, WOR, home station for the Mutual Broadcasting System, continued to use Press-Radio as a "supplemental service" giving credit to it on the air, it was reported. MBS also uses Trans-Radio Press news.

No statement has been made by the networks, or by the ANPA committee or Press-Radio officials.

The Press-Radio Bureau has been in operation in its New York office since March 1, 1934. It was organized under the sponsorship of the American Newspaper Publishers' Association through an agreement between the broadcasting companies, the press associations and the publishers' organization to operate without profit and without commercial sponsorship. The Bureau has been supported by regular contributions from the broadcasting companies.

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GEN. J. G. HARBORD WEDS VIRGINIAN

Gen. James G. Harbord, Chairman of the Board of the Radio Corporation of America and Chief of Staff to General Pershing in the World War, was married December 31st to Mrs. Anne Lee Brown, of Virginia. General Harbord's bride is the widow of Col. Lewis Brown, a well-known officer of the Cavalry who served for a number of years in the same regiment with General Harbord.

The marriage of Mrs. Brown and the noted Army officer took place at the home of Mrs. Egbert Leigh at Rapidan, Va. Col. Fitzhugh Lee gave his sister in marriage and the bride's two sisters, Mrs. James C. Rhea and Mrs. John C. Montgomery were her attendants. Capt. Fielding S. Robinson, wartime aide of General Harbord, was the best man.

Mrs. Harbord comes from a long line of distinguished ancestry. She is the daughter of the late Governor of Virginia, Maj. Gen. Fitzhugh Lee, who was one of the great Cavalry leaders of the Southern Confederacy. The former Mrs. Brown is the great-niece of Gen. Robert E. Lee and the great-granddaughter of Light Horse Harry Lee.

General Harbord, who was born at Bloomington, Illinois, in 1866 enlisted in the Army as a private after graduating from the Kansas State Agricultural College. He commanded the Marine Brigade, at Chateau Thierry and the Second Division in the Soissons offensive.

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CENSUS BUREAU ANALYZES RADIO INDUSTRY

Manufacturers of radios, radio tubes, and phonographs in the United States reported a slight increase in employment, a moderate increase in wages, and a considerable increase in value of products for 1937 as compared with 1935, according to preliminary figures compiled from returns of the recent Biennial Census of Manufactures, released by Director William L. Austin, Bureau of the Census, Department of Commerce.

These manufacturers employed 48,343 wage earners in 1937, an increase of 7.9 percent over 44,796, the number reported for 1935 and wages paid, $52,001,898, showed a gain over the 1935 figure, $42,906,018, of 21.2 percent. The value of products of the industry for 1937, $277,807,140, exceeded the value reported for 1935, $200,972,523, by 38.2 percent.

This industry, as constituted for Census purposes, embraces establishments primarily engaged in manufacturing or in assembling, from purchased parts, radios, radio tubes, and phonographs. It does not cover the manufacture of radio-apparatus parts such as transformers, batteries, coils, condensers, etc., which are made by establishments classified in the Electrical Machinery, Apparatus, and Supplies industry and are sold to manufacturers of radios.

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NBC 1939 BILLINGS TOP $41,000,000

Gross client expenditures on NBC in one year passed the $40,000,000 mark for the first time in the history of broadcast advertising with a total of $41,462,679 for 1938, a rise of 7.3 percent over 1937. Showing an increase for the thirteenth successive month, the December, 1938, billings totaled $3,887,072, a rise of 6.8 percent over December, 1937.

The tabulation follows:

	December, 1938	November, 1938
RED -	$2,928,181	$2,948,854
BLUE -	$ 958,891	950,065

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U.S. NEWS MEN MEET NBC EUROPEAN REPRESENTATIVE

An opportunity to meet Max Jordon, European representative of the National Broadcasting Company, and to obtain first-hand information with regard to the situation abroad was afforded Washington correspondents at a party given by Frank M Russell, Vice-President of the NBC in the Capital last Tuesday. In addition to the American newspaper men, several foreign correspondents stationed in Washington attended, among them Sir Willmott Lewis, of the London Times, and Kurt G. Sell, of the German News Bureau, Berlin.

Out of twon guests included Lenox R. Lohr, President of the National Broadcasting Company, and John Royal, Vice-President of the NBC in Charge of Programs, who has just returned from the International Conference at Lima. Assisting Mr. Russell at the party was Kenneth Berkeley, General Manager of NBC in Washington.

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TRADE NOTES

David Sarnoff, President of the Radio Corporation of America, spoke on "Science and Freedom" before the American Association for the Advancement of Science at Richmond, Va. on December 28.

A construction permit for Orville W. Lyerla, Herrin, Ill., to operate a station on 1310 kc. with 100-250 watts power, unlimited time, was recommended to the Federal Communications Commission this week by Examiner P. W. Seward.

The Southern California Edison Company, Ltd., of Los Angeles, was granted two construction permits this week to establish new special emergency radio stations.

Newbold Morris, President of the New York City Council, suggested this week that proceedings of the Legislature and of Congress, as well as of the City Council, be broadcast so that the people may know the behavior of their representatives, as demonstrated during the recent all-night session at City Hall.

Arthur J. Kemp has been promoted by the Columbia Broadcasting System to the post of Sales Manager of the Pacific Coast Network. His headquarters will be in San Francisco. Mr. Kemp joined CBS in July, 1936, serving KNX, Los Angeles, at that time. Later that year he was brought to the New York office, where he became a member of the Radio Sales staff. He returned to the Coast in September, 1938, to assist in the coordination of sales activity for the Pacific Network.

WHBF, covering the tri-cities of Davenport, Iowa, Moline and Rock Island, Illinois, and located in the latter city, becomes an affiliate of the Mutual Broadcasting System officially on January 14. Simultaneously the station announces an increase of power to 1,000 watts. Owned and operated by the Rock Island Broadcasting Co., an affiliate of the Rock Island Argus, WHBF operates on 1,240 kilocycles.

Miss Dorothy Aylesworth and Robert Gibson Knott were married last Wednesday afternoon in St. Bartholomew's Church, New York. The bride is a daughter of Merlin Hall Aylesworth, publisher of The New York World-Telegram and former President of the National Broadcasting Company, and Mrs. Aylesworth of 812 Park Avenue.

An authoritative text on the business of writing for radio was published this week by Max Wylie, Director of Script and Continuity for the Columbia Broadcasting System. In 550 pages, with appendix and numerous illustrations, Mr. Wylie sets forth the principles he has developed in the active production of over 1200 broadcasts during his four years with Columbia.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1188

January 10, 1939

FCC PROBE TO BE DEMANDED IN HOUSE AGAIN

A renewed effort to persuade the House of Representatives to authorize a sweeping investigation of the Federal Communications Commission and the broadcasting industry was promised last week-end by two members who were most insistent in a demand for a probe last year.

Representatives Connery (D.), and Wigglesworth (R.), both of Massachusetts, announced jointly that they will introduce a measure within a few days.

The present chain-monopoly inquiry now being conducted by an FCC Committee, they said, "has proved nothing". They reiterated charges that the radio industry is rampant with monopolistic practices.

Senator White (R.), of Maine, meanwhile, indicated he will reintroduce his resolution calling for a radio inquiry in the near future.

Legislation introduced during the first week of the 76th Congress was of a minor nature.

Representative Maloney (D.), of Louisiana, offered a bill which would require personal endorsements of products advertised by radio to be accompanied by statements that the endorsements were paid for.

Two bills sponsored by Representative Culkin (R.), of New York, seeking to prohibit the advertising of alcoholic beverages on the air, were reintroduced.

An indication that another fight will be made for the authorization of government-operated short-wave radio stations was given by Representative Celler (D.), of New York. Congressman Celler, who sponsored a bill last year for the establishment of a Pan American short-wave station in Washington, apparently has changed his plan somewhat, however. In an extension of remarks in the Congressional Record he disclosed that the State Department was urging him to reintroduce his measure but with the location of the station to be the Panama Canal Zone.

Outlining eleven measures for combatting Nazi and Fascist propaganda in the Latin Americas, Representative Celler proposed:

"The Government shall set up at the Panama Canal Zone a huge radio station in pursuance of my bill, to counteract and checkmate the vicious and ruthless German propaganda by radio and

short wave pouring into all South American countries. It is as ceaseless as it is villanous. The United States, our President and other high governmental officials are especial targets of attack. Americans are portrayed as naught but cut-throats, bandits, racketeers, cheats, and scoundrels in their business dealings. These insults spill over the airways from Germany 24 hours a day, 365 days a year. As yet we have done nothing to meet this evil. But it is an evil that must be met and met soon - otherwise the wrong done will be irreparable. Nasi proselyting while damning us will have gone too far. I am encouraged by the State Department to reintroduce the measure. Frankly, I am tempted to ask the question: Don't you think we need such a station? If you agree, write me, write the Federal Communications Commission and write your own Senator and Congressman."

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NBC THROUGH, CBS TAKES STAND IN MONOPOLY INQUIRY

The Federal Communications Commission's chain-monopoly inquiry entered its second stage this week as the Columbia Broadcasting System opened its case following the conclusion last week of the testimony of the National Broadcasting Company. CBS is expected to be on the stand for the next several weeks.

Lenox R. Lohr, President of NBC, brought the network's case fo an end following a cross-examination by members of the FCC Committee and William J. Dempsey, Commission Counsel.

At the conclusion, Mr. Dempsey praised the network and its counsel, Philip J. Hennessey, for the manner in which it had responded to the Commission's request for information and for other cooperative efforts.

Before leaving the stand Major Lohr predicted that it will be several more years before television may be transmitted on a chain or network basis as radio. He also told Chairman Frank R. McNinch that NBC uses stern measures to prevent radio entertainers from "ad libbing" in "naughty fashion".

Television is temporarily stopped from chain broadcasting, Mr. Lohr said, because of the lack of necessary wire equipment. He estimated it would take $100,000,000 at present rates to build a line across the country which would carry all the frequencies necessary for television broadcasting.

There are tremendous cost problems facing the broadcast companies in solving television entertainment, he said. He added that when the National Broadcasting Co. goes on the air in the Spring with television in the New York area, it will have a program of from two to three hours a week, and this will require the full time service of 40 persons. To put on one hour a day of television, he added, would cost $1,000,000 a year.

Television programs will change the whole technique of broadcasting, he predicted, because no longer will the principals be able to read script, and this will necessitate weeks of rehearsal.

While he said there will be improvements in television as it has been developed to date, it is definitely good enough now to go to the public and is comparable with the home movie.

Stern measures are used by the National Broadcasting Co. against those who ad lib in questionable manner on the air, even to the point of threatening to bar them from the air in the future, the NBC President told the Commission later in his cross-examination.

During cross-examination, Mr. Lohr testified that there was no such thing as freedom of speech over the air. He said free speech had no meaning in radio, as it was a physical impossibility to give every one who desired it a place on the air, and broadcasters had to determine who should be given the right to speak. Mr. Lohr said that persons who do go on the air have no rights, as the rights are in the listeners alone.

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NEW STATION, TRANSFER AMONG FCC DECISIONS

Authority to construct a new broadcasting station and to transfer control of an existing station were among decisions reached this week by the Federal Communications Commission.

The Commission granted the application of S. B. Quigley, Mobile, Alabama, for a construction permit, for a new station to operate on 1200 kilocycles with power of 100 watts, daytime only.

The applications of Associated Broadcasters, Inc.(WEST), Easton, Pa., and Keystone Broadcasting Corp. (WKBO), Harrisburg, Pa. for modification of licenses to operate simultaneously at night or unlimited hours, were also granted. These stations now operate each with power of 250 watts during daytime and 100 watts at night on the frequency of 1200 kc., simultaneous operation during day and sharing time at night.

Peter Goelet, owner of WGNY, Newburg, N. Y., was given a construction permit to operate his station on 1220 kc., with power of 250 watts, daytime. Station WGNY now operates on 1210 kc., with power of 100 watts, sharing time with Stations WBRB, WFAS and WGBB.

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FCC ASKS DATA ON STATION OWNERSHIP

In assembling evidence for its investigation of chain and network broadcasting and monopoly, the Federal Communications Commission is making a searching inquiry into the ultimate ownership and control of radio broadcast stations, including the control or other interest in such stations held by holding companies, it was disclosed this week.

Four questionnaires have been sent to a total of approximately 2,300 broadcast licensees, holding companies and other corporations holding direct and indirect stock interests in the licensee corporations, and stockholders and officers of the holding companies, the Commission announced yesterday (Monday).

The questionnaires call for answers under oath to numerous questions bearing upon relations between direct and indirect owners of any two or more broadcast stations, and the relations of owners of all stations and their officers, to other interests such as communications companies, newspapers, and amusement enterprises.

Replies to the questionnaires will also throw light upon the extent and character of absentee ownership, and the use of voting proxies in effecting or maintaining the direct or indirect control of licensees. Present indications are that in certain instances, where first and second tier holding companies have acquired interests in broadcast stations, the "top" holding companies make extensive use of such proxies, obtained from the other shareholders, to maintain their control of the corporations and the management.

Chairman Frank R. McNinch made it plain that the Commission has taken no position with respect to the propriety of any of the practices under investigation. All present effort, he said, is aimed at obtaining full information about the conditions and practices existing.

Collation and analysis of replies received to the series of questionnaires is under way. Replies to the latest of the questionnaires are expected soon, and in the next five or six weeks it is anticipated that evidence of this character will be ready for presentation. It is expected to become then the basis for testimony by Commission witnesses, reflecting the conditions found to exist.

Heretofore information about ownership and control of stations, beyond the immediate owners of stock in the licensee enterprise, has not been available uniformly and fully. In seeking more complete information, for its investigation and for the purposes of future regulation, the Commission first sent a questionnaire to each of more than 400 corporations which hold stock in the licensees.

In many instances it appeared that stock in certain of these 400 corporations was held in turn by other corporations. Accordingly, as its second step, the Commission sent questionnaires to 169 corporations appearing to have stock holdings of this "second tier" character.

To reach beyond this "second tier" approximately 1,000 questionnaires were sent to the stockholders, officers and proxy holders of the "second tier" corporations.

A fourth questionnaire which has just been distributed went to the more than 700 licensees of standard broadcast stations. This seeks from the licensees information similar to that which is being gathered from the persons and corporations whose relationship to broadcasting is more remote. The questionnaire calls for information bearing upon the direct relations between stations, and between any station or group of stations and other interests. It seeks to elicit full information about management control, and about transfers of management control which may have occurred, not merely where the change has been avowed or directly sought, but where it may have come about as a result of the practices that have obtained in voting the stock and operating the station.

Definition of the authority of different members of the executive personnel of each station also is sought, and with this an account of the technical and other qualifications of the operating personnel.

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G. E. GETS PERMITS FOR FOUR VISUAL STATIONS

The Federal Communications Commission this week granted the applications of General Electric Company for experimental broadcast and television stations at Albany, N.Y., Bridgeport, Conn., and Schenectady, N. Y.

Construction permits were allowed to establish four television broadcast stations, two for Schenectady, and one each in the cities of Albany, N.Y., and Bridgeport, Conn. The frequency band for the Albany and Bridgeport stations will be 60,000 to 86,000 kilocycles, and the Schenectady stations' frequency band shall be 42,000 to 56,000 kilocycles, with 40 watts power.

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ADVISORY COUNCIL APPROVES NBC PROGRAM POLICIES

Approval of the program policies of the National Broadcasting Company was voted unanimously Monday by the NBC Advisory Council at a meeting in New York City. Present at the meeting, among others, was former Governor Alfred E. Smith, recently named to the Council to fill a vacancy.

Lenox R. Lohr, President of the NBC, in outlining the network's program policies, said:

"These policies have been previously discussed by the Advisory Council, and the management believes that their recommendations, which have been followed in practice, for as long as eleven years, are still sound and applicable. But this is a world of rapidly changing philosophies, and radio is a developing art, so it is believed that these policies should be again scrutinized in the light of present-day conditions and either re-affirmed or amended."

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TELEVISION NOT READY FOR COMMERCIALIZATION

Information available indicates that the technical phases of the television art are progressing in a satisfactory manner, the Federal Communications Commission stated in its annual report to Congress last week.

"However, it is generally agreed that television is not ready for standardization or commercial use by the general public", the report added. "No applications for commercial authorizations were filed with the Commission during the fiscal year. Formal hearings were conducted on six applications for new experimental television stations.

"Television has developed to the state where complete transmitting equipment is available on the market, but such equipment is costly and, because of the experimental status of the art, may become obsolete at any time due to new developments. A few of the existing licensees are attempting scheduled program transmissions as part of their research and development work."

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A radio gun, a new type of atom smasher, the first 1939 scientific achievement to come from college laboratories, was announced Sunday by Cornell University. The gun is a glass tube, 8 feet long, 6 inches in diameter, its interior a vacuum in which short-wave radio power drives light or heavy atoms so they attain speeds of thousands of miles a second.

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ADMIRAL CROSLEY DIES

Rear Admiral Walter S. Crosley, U.S.N., retired, age 67, cousin of Powel Crosley, Jr., died Saturday in Baltimore. Admiral Crosley had a very distinguished career and served as hydrographer of the Navy from 1925 to 1927. Early in his career he was commended for "eminent and conspicuous conduct" in an engagement in the Spanish-American War in which a gunboat was destroyed.

Admiral Crosley was Resident Director of the International Hydrographic Bureau at Monaco from April, 1937, to June, 1938. During the World War he received the Navy Cross. He also was decorated with the Sampson Medal, theSpanish Campaign Medal, the Philippine Medal, the Dominican Medal and the Victory Medal with star. He was the recipient of the Chinese Order of Wen Hu and the Haitian Medal of Honor.

Admiral Crosley was buried in Arlington last Monday. Honorary pall-bearers included Powel Crosley, Lewis Crosley, Admiral W. D. Leahy, Rear Admiral Frank Clark and David Sellers, Gen. Frank Parker, and Edward F. Ball of Muncie.

Admiral Crosley was survived by his widow and two sons, Lieut. F. S. Crosley, U.S.N., retired, and Lieut. Paul C. Crowley, attached to the U.S.S. CLAXTON.

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TELEVISION GRANTS IN PATENT LIST FOR 1938

Numerous patents in the television field were included in the list of 38,076 patents granted last year by the United States Patent Office, it was disclosed this week with the filing of the annual report.

Patents granted in 1938 included the basic patent on electronic television. Invention in television was particularly active with patents for improved screens yielding brighter and larger images, for three-dimensional, color and composite television being granted.

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Supporters of the Rev. Charles E. Coughlin, staging their fourth consecutive Sunday afternoon demonstration in New York in protest against curtailment of his broadcasts, extended their picketing for the first time this week to the Columbia Broadcasting System headquarters, 485 Madison Ave. Demonstration leaders said the protest was staged because the chain had "refused" to give Father Coughlin time on the air. Columbia officials declined to comment.

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TRADE NOTES

Sale of radio Station WHAT, located in the Evening Public Ledger building, to the Bonwit Teller store was announced last week. The station is operated by the Independence Broadcasting Co., which is owned and controlled by the Public Ledger, Inc. The sale agreement filed with the application was between John C. Martin, President of the Public Ledger, Inc., and F. Raymond Johnson, President of Bonwit Teller. The sale must be finally approved by the Federal Communications Commission.

Mutual Broadcasting System's advertisements - "Eyes That Do Not See", "Who Said Radio Is Expensive", and "Whales for Sale" - have been selected for copy excellence, outstanding design and layout, and skill in handling problems by the American Institute of Graphic Arts. This makes the third straight award for the Mutual Sales Promotion Department in the past six months.

The appointment of C. L. Menser as Program Manager of the NBC Central Division, effective immediately, has been announced by Sidney N. Strotz, Acting Manager of the Central Division of the National Broadcasting Company. Me. Menser succeeds Mr. Strotz in the post of Program Manager. Jules Herbuveaux, formerly Assistant Production Manager, succeeds Mr. Menser as Production Manager, and Wynn Wright, formerly a member of the production staff, becomes Assistant Production Manager.

Miss Angela Frances McCosker, daughter of Mr. Alfred J. McCosker, President of WOR, and Mrs. McCosker, will be married on January 26th to Sheldon Van Dolen, son of Mr. and Mrs. Lawrence M. Van Dolen of South Orange, N. J. The ceremony will be performed by the Rev. Joseph P. Connor of West Orange in the Roman Catholic Church of St. Ignatius Loyola.

Too much time is given to advertising on radio programs, according to 60 percent of women queried in a national survey on "What the Women of America Think About Entertainment", published in The Ladies' Home Journal for February. The survey is one of a series the magazine has been conducting to discover the opinions of the country's 37,000,000 women on various matters. Answering another question, 52 percent declared that radio advertising annoyed and irritated them, but 67 percent would not prefer radio programs with no advertising at all. Some 57 percent said they would not object to advertising on the screen.

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KAROL TREASURER STATISTICAL ASSOCIATION

John Karol, research and marketing expert of the Columbia Broadcasting System, New York, was elected Treasurer of the American Marketing Association and the American Statistical Association at Detroit last week.

Nathaniel H. Engel of the United States Bureau of Foreign and Domestic Commerce was named President of the Marketing Association. Theodore N. Beckman, Ohio University, and D. R. G. Cowan, Chicago, were chosen Vice President, and Albert Haring, Lehigh University, Secretary.

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ZENITH INTRODUCES THE "WAVEMAGNET"

Something said to be really new in radio is the "Wavemagnet" introduced by Zenith during the holidays. It is a small compact bakelite model with a handle on it, 6 tubes, using no antenna, no ground, no batteries, for $19.95 AC-DC.

A talking point of the "Wavemagnet" is that it affords great protection against noise and "man-made static". In a try-out at the Waldorf-Astoria in New York, Zenith reports that in spite of elevators and other machinery the set brought in with excellent quality 28 stations in the daytime and 48 stations at night.

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COURT RESERVES DECISION IN RCA SUIT

Supreme Court Justice Aaron Levy reserved decision last week on the request of attorneys for the Radio Corporation of America to consolidate three stokcholders' suits charging present and former officials and directors of the corporation with negligently and fraudulently permitting the waste of corporate assets.

All three complaints, which became public last week, criticize the directors for alleged failure to regain 2,000,000 shares of radio common stock given to General Electric Co. and Westinghouse in 1932, allegedly in return for certain patent and other rights said to have been terminated by a consent decree in an anti-trust suit.

The defendants denied the charges.

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McCOSKER SEES 1939 AS BUSY RADIO YEAR

Alfred J. McCosker, President of Station WOR, in a statement last week declared that he looked forward to equally outstanding achievements during 1939.

"It is difficult to prophesy where the impetus of modern radio will take us during the year 1939", he said. "It seems inevitable the next twelve months will be prolific of broadcasting accomplishment and an increasing influence on the daily life of the people.

"The increased tempo of world news and events during 1938, for example, has provided opportunity for radio's special feature crews who have acquitted themselves creditably in keeping pace with the pulse of international events. With the foreign nations in a state of unrest, the year ahead promises even busier days for this phase of broadcasting and WOR will continue to fill the public demand for speedier, fuller coverage of all news.

"Technical developments have been advancing rapidly. WOR is proud to be a pioneer in the new and promising field of facsimile - art of transmitting pictures and reading matter over the air into the listener's home. During the coming year, among other plans, WOR will operate its regular nightly facsimile broadcast to attain further experience in facsimile transmission."

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WALLERSTEIN HEADS NEW CBS RECORDING SUBSIDIARY

Edward Wallerstein, formerly Sales Manager of RCA Victor, has been appointed by the Columbia Broadcasting System as President of its newest subsidiary, American Record Corporation. Mr. Wallerstein, who has been with RCA Victor since 1933, began his career in the field of home recording in 1920.

The acquisition of American Record Corporation by CBS marked a reversal of history, in that Columbia Phonograph, a member of American Record, held controlling interest in the Columbia Broadcasting System during its early days. A similar coincidence is noted in the fact that Mr. Wallerstein's first work in the recording industry was with Brunswick-Balke-Collender, then makers of Brunswick Records, which are now produced by American Record Corporation.

Other officers, as previously announced, have been named by CBS on a temporary basis. They are: Frank K. White, Treasurer; C. C. Boydston, Assistant Treasurer; Ralph F. Colin, Secretary.

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INCREASE IN AFFILIATES HIGH SPOT OF NBC YEAR

The National Broadcasting Company entered 1939 better prepared to serve the vast listening audience, its affiliated stations, and all who use its facilities than at any time in its twelve years of existence, according to Lenox Lohr, President.

"One of the most significant developments during the twelve months' period just ended has been the increase in the number of affiliated network stations", he stated. "Twenty-five stations, with a potential circulation of 1,447,848 radio families have become affiliated with NBC during the year, bringing the total number of stations served by the Red and Blue Networks to 166. The real significance of this lies not in the mere fact that the number of affiliates has increased but in the wider public service that such affiliations have made possible.

"The record spoke very clearly for itself in 1938. The coverage of the European war crisis, without bias or editorial opinion; the fine Music Appreciation Hour; the broadcasts of the NBC Symphony Orchestra under the baton of Toscanini and other internationally known conductors; the Pulitzer Prize Plays series; the broadcasting fairly and impartially of all sides of public issues - have set new standards in radio.

"Realizing that they shared the public responsibility of radio, advertising agencies and clients alike have cooperated to present a uniformly high standard in programs of entertainment and education. That they have had a high degree of public acceptance is evidenced by the fact that bookings for the coming year have mounted to a record high, evaluated with any comparable period in the history of the company."

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CROSLEY OPTIMISTIC OVER NEW YEAR

Powel Crosley, Jr., President of the Crosley Corporation, Cincinnati, was quoted as follows in Editor & Publisher's annual review:

"To say that 1939 holds prospects of greatly improved business conditions is only to join in an almost universal opinion. The recession that started in the Fall of 1937 has practically run its course and fundamental conditions have to a great extent righted themselves. This should be reflected in better business in 1939, so far as anyone can tell at this time we feel quite enthusiastic about the prospects for 1939 in our business and our merchandising plans and production schedules are being formulated accordingly."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
RECEIVED
JAN 14 1939

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ASCAP SUITS IN SUPREME COURT WATCHED BY RADIO

The broadcasting industry this week watched with interest the progress of two suits involving the American Society of Authors, Composers, and Publishers in the United States Supreme Court because of their probable effects on the long-standing war between the radio industry and ASCAP over music copyrights.

The two suits were argued in Supreme Court on Tuesday, and a decision may be handed down within a few weeks. The suits have to do chiefly with the question of Federal jurisdiction in injunction proceedings initiated by ASCAP in an attempt to prevent enforcement of State laws directed at copyright music.

Although the cases were based on Florida and Washington State laws which would restrict the activities of the organization, the Court concerned itself with a jurisdictional point, namely whether as much as $3,000 is involved in either of the issues. Federal courts cannot take jurisdiction unless such a sum is affected. If the Supreme Court decides that this amount is involved, suits over the laws themselves will proceed in lower courts; otherwise, the suits will probably die.

The Society, headed by Gene Buck, won in a Federal three-judge court in Florida; it lost in a similar court in the Far Western State. Appeals from these two rulings were before the Supreme Court on Tuesday.

The two State laws, very much alike, attack the legality of license fees charged by the Society for use of songs and music owned by its members. Maintenance of a monopolistic combination and trying to fix prices, is charged. The Society answered that it was wholly within the law and pointed to ownership of copyrights.

In each case the issue is between the State and Mr. Buck as President of the Society, as well as other members, including Deems Taylor, Anne Paul Nevin, William J Hill, Jane Sousa, Oley Speaks, Elia Herbert Bartlett and three publishers, Carl Fischer, Inc., G. Schirmer, Inc., and Irvin Berlin. Revenue received from licenses in Florida in 1936 was $59,000, from Washington State, $60,530.

The Society contended that to comply with such State laws all over the United States would mean a loss of from $150,000 to $200,000 for each of the three publishing interests yearly. The individuals would, it is said, lose $12,000 to $25,000. Copyrights owned by the three publishers are valued at more than $1,000,000, it is stated.

Asserting that its charges are not high, the Society said that its rates for licenses in Florida in 1936 averaged to each user in the following classes: radio broadcasters, $2,432; motion picture houses, $81; restaurants, $84; hotels, $80; dance halls, $85, and miscellaneous establishments, $103. The Society which has 30,000 contracts throughout the United States, includes 1,000 composers and 123 publishers.

Laws such as those in the present cases have been passed also in Montana, Nebraska and Tennessee. It is said that the Michigan Legislature enacted the same kind of law but that it was vetoed by former Governor Murphy, now Attorney General in the Roosevelt Cabinet.

The Federal Court in Florida granted a temporary injunction against enforcement of the State Law. In Washington the court dismissed the attack of the group on motion of the State.

Tyrus A. Norwood, Assistant Attorney General, and Lucien Boggs, represented Florida in the arguments; Alfred J. Schweppe spoke for Washington. Thomas G Haight was counsel for Society in both cases.

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FREDERIC WILLIS BECOMES CBS S-W DIRECTOR

Frederic A. Willis, Assistant to the President of the Columbia Broadcasting System, will hereafter serve also as Director of Short Wave Operations in the Program Department, it was announced this week by Edward Klauber, Executive Vice-President.

In commenting on the network's short wave service during 1938, Mr. Willis reported substantial increases in programs to Europe and South America via the CBS international short wave station, W2XE. The operating staff, as well as the number of news commentaries to Latin America, was more than doubled last year. Elizabeth Ann Tucker is Program Director for W2XE.

Last last year, W3XAU, international station of WCAU, the CBS affiliate in Philadelphia, completed two new directional antennas. By arrangement with W2XE, much of W3XAU's foreign programming will be supplied to the latter transmitter by direct line from New York. Another effect of coordinating the stations' activities results in the simultaneous transmission of CBS programs to both Europe and South America, or the sending of one program to one continent on two different frequencies. Similar arrangements have been made to permit W1XAL, Boston, to short-wave CBS programs, while permanent lines have been laid between Columbia's WEEI, Boston, and the Westinghouse short wave station, W1XK.

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PRESS WARNED TO GET READY FOR FACSIMILE RADIO

While warning publishers to begin experiments early in the facsimile radio transmission of news so as to be prepared for any eventuality, H. C. Vance, Manager of the Facsimile Sales Division of RCA Manufacturing Co., Camden, N. J., today (Friday) told the Pennsylvania Newspaper Publishers' Association at Harrisburg:

"It is generally believed that broadcast facsimile will be a supplemental service to both newspapers and radio stations for many years to come."

Reminding the publishers of King Canute's inability to turn back the tide, Mr. Vance said:

"If the public wants a broadcast facsimile service, that tide will rise, regardless of whether the present newspaper embrace it or not. Under these circumstances, should not the newspapers place themselves in a position to capitalize on this new process of news distribution?

"Until commercial licenses are granted", he went on to say, "it is probable that a common radio transmitter will be used for the alternate transmission of sound and facsimile programs. That is, sound programs will be broadcast most of the day and evening with one or two hours of facsimile bulletins interspersed during the forenoon, again in the afternoon, and possibly during the evening. This is based upon the use of ultra high frequencies for urban coverage.

"If and when the facsimile broadcasting of paid advertising is permitted, separate transmitters and wavelengths can be employed in order to allow more time for facsimile transmission.

"It is also probable that at that time commercial advertising may be permitted on sound programs transmitted on ultra high frequency channels. It would be inadvisable to interrupt these sound programs with the rather weird-sounding facsimile signals in the loudspeakers of receivers not equipped for facsimile reception.

"Another interesting application is the simultaneous transmission, on separate wavelengths, of inter-related sound and facsimile programs. For example, a cooking school or kitchen program can be broadcast over the sound channel and copies of the recipes via facsimile. A talk on new dresses, hats, or other fashions can be illustrated by facsimile transmission of photos, sketches, or even patterns. Numerous other novel and effective combinations and uses will suggest themselves.

"Undoubtedly a new form of newspaper or magazine makeup technique will be developed for facsimile use. Some stations are trying standard newspaper story form, others are trying to

develop a special bulletin form, referring the reader to their newspaper for complete details.

"Most standard newspaper features seem to be usable in facsimile service, including cartoons, continued stories, market reports, theatre news, children's features, etc.

"Pre-printed ads on the back of the paper strip have been considered as a means of reducing or covering the cost of new paper refills for the home receivers.

"In future receivers it may not be necessary to employ time clocks to turn the recorder on and off at preset intervals, since automatic control signals from the transmitter may be used for this purpose. During intermittent operation, this will allow important news flashes to be transmitted at any time without waiting for the pre-set period.

"It is interesting to note that a large percentage of stations obtaining facsimile licenses are newspaper owned. They include the McClatchy stations at Sacramento and Fresno, California; the Buffalo Evening News; the St. Louis Post-Dispatch; the Chicago Tribune; the Detroit News and the Cleveland Plain-Dealer.

"If the public demands facsimile service - and preliminary surveys indicate that they will - present-day newspapers have an opportunity to do some of the pioneering work toward the establishment of a new public service."

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CASE REAPPOINTED TO COMMISSION BY F.D.R.

All rumors that Norman S. Case, former Governor of Rhode Island, would not be reappointed to the Federal Communications Commissionwere put at rest this week when President Roosevelt sent his nomination to the Senate.

The reappointment, first made as a recess nomination last Summer, is for the full seven-year term. Commissioner Case is a Republican. No substantial opposition to his confirmation is expected.

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G.E. TELEVISION STATION TO BE MOST POWERFUL

A television transmitter, more powerful than any now in use in this country and designed to broadcast pictures with much improved picture definition, will be put into operation within the next three months by General Electric at Indian Ladder in the Helderberg Hills, 12 miles from Schenectady, N. Y., according to Chester H. Lang, Manager of Broadcasting for General Electric.

Built on top of a 1500-foot hill with an antenna strung on 100-foot towers, this station will be at least 250 feet higher than the one atop the Empire State Building in New York City. To the south are higher hills which, with a directional antenna, will tend to prevent the signal from causing any possible interference with stations in New York City. With a power output of 10 kilowatts, its coverage will be the area comprising Schenectady, Albany, Troy, Amsterdam, and Saratoga, known as the Capital District, with a combined population of more than 500,000.

The television studio will be located in Schenectady, in quarters occupied by WGY until this station moved into its new broadcast home last Summer. Its equipment will incorporate many new features developed by General Electric engineers who not only pioneered but have spent years in television research. These developments assure a more perfect pickup and broadcast of pictures. At such times as studio programs are not available, motion picture film will be used much the same as electrical transcriptions now fill in on broadcast programs.

From an ultra short-wave transmitter on top of the studio building, the images will be relayed over the 12-mile gap on a 1.4 meter band to the main transmitter in the Helderbergs, where they will be broadcast for public reception on a wavelength in the 66-72 megacycle band or on about 4-1/2 meters. The voice accompanying the picture will also be broadcast on the same band, on a frequency immediately adjoining the picture, assuring reception with less interference from static than experienced on the regular broadcast channels.

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John Fox, Production Manager of the Sales Promotion Department of the Columbia Broadcasting System, is extending his activity to include space buying for Columbia advertising in trade papers. His new duties take effect immediately.

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EXPORTER DENIES GERMANY BLANKETS U. S. STATIONS

An investigation by S. T. Thompson, of the Zenith Radio Corporation, Chicago, has disproved the published report that German short-wave stations are blanketing U. S. international stations in Mexico.

Referring to a story appearing in the Washington Daily News , and carried in the Heinl News Letter of December 16th, Mr. Thompson writes:

"We had our Export Department communicate with our distributor in Mexico City and lay the question before him. You will be interested in his comment which we quote in part:

> "'.... and wish to inform you that the only short wave stations that are heard perfectly here at daytime are the American stations,....., without interference at any time of their broadcasts, contrary to what occurs with the Berlin stations which have a strong interference in the different frequencies of 9.5, 12, and 15 megacycles, at which they broadcast, not only by local stations but also by foreign ones, to the point that it is impossible to listen in to their news in Spanish, which is the time when the interference is strongest.
>
> "'It is also false that there are German owners of broadcasting stations in Mexico and that German radios are being sold here for 10 pesos and even given away free, inasmuch as the only radios made in Germany that are being sold in Mexico sell on a very small scale due to their high prices.'"

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BBC TRIES NEW ACOUSTIC STUDIO DESIGN

A new departure in acoustic design is a feature of the orchestral studio at the British Broadcasting Corporation's studio center in Aberdeen, opened last month by the Marchioness of Aberdeen and Temair. It consists of the provision of an "inverted V" roof, rising to a height of 11 ft. above ceiling level, about 400 sq. ft. of which have been lined with rock-wool blankets an inch in thickness, appearance being preserved by the provision of an open-grille ceiling that allows free passage of the sound waves.

The purpose of the new sesign is to avoid the phenomenon known as "up-and-down flutter" - caused by repeated reflections of sound between ceiling and floor - and the experiment is proving very satisfactory in practice.

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FCC DECLINES TO SPONSOR WPA PROJECTS

The Federal Communications Commission has sent the following letter to the Joint Unemployment Council, American Communications Association, Washington, D. C.:

"The Commission has carefully considered your letter of October 21, 1938, in which you request that this Commission sponsor certain projects through the agency of the Works Progress Administration. You set forth therein the situation in regard to unemployed workers in the communication industry, which situation is the basis for your request.

"The Commission is in sympathy with any plan having for its objective the relief of the unemployed and would welcome the opportunity to do what it could in this respect within the scope of its means and authority. In view of the statement you make relative to the general unemployment situation in the communication industry, it is assumed that your recommendations as to affording relief applied to all communication workers irrespective of union affiliations. You will appreciate, of course, that the Commission could consider projects only on that basis.

"A careful study has been made of your suggestions. Several of the projects which you list have merit. However, a detailed analysis indicates that the Commission is not justified at this time in sponsoring them because of the practical difficulties involved. Furthermore, conferences between representatives of the Commission and the Works Progress Administration developed the fact that the Works Progress Administration would not look with favor upon projects which involve a house to house canvas. In addition to these practical difficulties, the Commission is unable to assign the necessary supervisory and planning personnel as its staff is already overburdened with regular work. Also, the funds available from the Commission appropriation are insufficient to permit the purchase of necessary technical apparatus required to carry out the projects.

"The Commission will continue to study those projects which appear to have greatest merit and, if it is found that the difficulties and personnel and financial restrictions can be overcome, consideration will again be given to the practicability of carrying out such of these as may be within the scope of Commission activities."

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Two new radio stations were recommended to the Federal Communications Commission this week by Examiners. Applications were from Drohlich Brothers, Sedalia, Mo., to operate on 1500 kc. with 100-250 watts power, unlimited time, and the McComb Broadcasting Corporation, McComb, Miss., to use 1200 kc., 100 watts power, daytime.

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HOUSE AMPLIFYING SYSTEM PRAISED BY STEFAN

The new amplifying system in the House of Representatives was explained and praised this week by Representative Karl Stefan (R.), of Nebraska, in an extension of remarks in the Congressional Record this week.

Representative Stefan, a former radio announcer, said, in part:

"A year ago our present distinguished Speaker with other distinguished gentlemen began studying the possibilities of better equipment, and our Architect did considerable experimenting and investigating, with the result that the system which is now installed in the House was given a trial. With more adjustments and experimentation, it is believed that it will become perfect and will bring more dignity to this House, and perhaps prolong the health of some of our Members, and certainly will facilitate the transaction of the important business which this Congress must transact.

"By taking advantage of this modern science Members of this House can transact business with more dispatch and efficiency, in my own belief. This is not a broadcasting system. The voices reach only the confines of this Chamber. I call attention to all Members who have just finished their campaigns and ask them to recall the comforts of the loud-speaker system which so many used in making it possible for their constituents to hear what they had to say. Most of you have long ago learned how to speak into the microphone of your loud-speaking systems. This system in this Chamber is no different. Microphones are placed at various stations - one at the Speaker's table, one in front of the reading clerk, two in the well of the House, and one each at the desks of the majority and minority floor leaders. The voice comes through the gondola which you see directly over the well. An operator is located in the gallery with a monitoring apparatus which he adjusts to suit the various voices which come into the various microphones. It is all very simple. The adjustment is so made as to make the voice natural, and all mechanical sound is so eliminated as to make it practically a natural voice. Some may decide not to use the microphone. That is a matter of choice. Those who believe their voices are loud enough so that they can be easily heard may or may not use these microphones. It is just a matter of whether a Member wants to be heard or not. It is no longer necessary to strain the throat muscles. All that is necessary is to speak in a normal tone of voice. The operator who will have charge of the set will soon learn the inflection, quality, volume, and tone of each voice and can so adjust this system that each word should be heard in the remotest corner of this Chamber. Certainly our distinguished Speaker need no longer feel that he will not be heard. Certainly his voice will be heard, and dignity and calmness will prevail in this House.

"Roll calls will be more rapid, reading clerks will have less difficulty in the transmission of readings to Members; reporters will have less difficulty in hearing; newspapermen in the press gallery need no longer hold hands to ears, the better to hear, and visitors in galleries will go back home with more impressive thoughts and feelings that the United States House of Representatives really transacts business in orderly and serious manner.

"There are great possibilities for this public-address system. You will recall that many times even the President of the United States when he speaks in this House cannot be heard in the back seats nor in the galleries. Members see the Chief Executive and other speakers but many times cannot hear them.

"I have been asked if this speaking system can be so constructed as to connect it with other offices. To this the reply is 'Yes'. The possibilities are unlimited."

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WMCA TESTS ULTRA HIGH FREQUENCY TRANSMITTER

Investigation of the probability of opening up new radio stations in the little-known 11 meter band is being conducted by the Engineering Division of Station WMCA, New York, under a franchise recently granted the station by the Federal Communications Commission. The investigation, consisting of broadcasts in what is known as ultra high frequency, is to determine the range and noise level of the 11 meter band, as yet unlicensed for commercial radio communication.

Regular WMCA programs from noon to 9 P.M. daily are being transmitted through this ultra high frequency channel under the call letters of W2XQO. According to Frank Marx, Chief of the WMCA Engineering Staff, the tests to date indicate an almost total absence of natural static and a high degree of line of sight transmission as well as distant reception. Reports have been received, he stated, from tramp steamers in the Pacific and from South America, Europe, and Australia.

The ultra high frequency equipment with which the tests are being conducted consists of a 100 watt RCA transmitter modified for use on the eleven meter frequency. It is located on the site of WMCA's transmitter at Flushing, Long Island, and special coaxial cables carry power from the transmitter to the specially installed experimental antenna. This antenna is situated on top of the 300 foot WMCA tower and is a brass pole rising 20 feet above the top of the tower.

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GREAT LAKES STUDY TO RESUME MARCH 6

The Federal Communications Commission announced this week that public hearings on the Great Lakes and Inland Waters Survey will be resumed in Cleveland, Ohio, on March 6, 1939. Col. Thad H. Brown, Commissioner in charge of the survey, will preside at the hearing.

The Great Lakes and Inland Waters Survey is being conducted under a mandate from Congress, which in May, 1937, requested the Commission "to make a special study of the radio requirements necessary or desirable for safety purposes for ships navigating the Great Lakes and the inland waters of the United States, and to report its recommendations and the reasons therefor to the Congress not later than December 31, 1939."

A number of surveys have been conducted aiming at a factual basis for recommendations to Congress for legislation to promote safety of life and property on the Great Lakes, it was said. One of the first of these was a vessel investigation which included an analysis of the types, tonnage, equipment, ages, and services of all commercial vessels on the Great Lakes operating under the American flag.

A study of the channels, routes, distances, ship lanes and navigation aids had been conducted in connection with a study of weather conditions and hazards to navigation. An analysis is also being made of the nature and volume of the commerce on the Great Lakes, including the ports at which the commerce originates and to which it is destined, the routes of movement, and the types of commodities.

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SWEDEN TRIES "WIRED RADIO", TELEVISION

The Swedish State Telegraph Board is now putting in a "wire" radio transmitting station in Ange in Northern Sweden where the static disturbances from the electric trains make ordinary wireless radio reception impossible, according to the American Commercial Attache at Stockholm. This new station will comprise 200 outlets which are coupled to the telephone connections of subscribers and are then plugged in by a special attachment to an ordinary radio receiver. The programs are transmitted from the radio sending station in Sundsvall by a special "wire" transmitter manufactured by the German Lorenz company. It is expected to extend this "wire" system to other places in Sweden where static disturbances are excessive.

Sweden's first television demonstration was given recently in Stockholm by the Philips Gloeilampen Fabriek N.V., Eindhoven. The equipment was carried from the Netherlands in two trailers, consisting of one transmitter for sound and one for pictures and the receiving unit with a screen 40 cm. x 50 cm. The cathode projection system was employed, with a power of 50 watts, taken from the city power main. It is not expected that the Swedish State Broadcasting Company will take any active interest in television for the time being.

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CHILDREN'S PROGRAMS PRAISED AT NBC LUNCHEON

Radio's responsibility to its millions of child listeners was discussed pro and con Thursday by Mrs. Henry M. Robert,Jr., President General of the D.A.R., Mrs. Sidonie M. Gruenberg, Director of the Child Study Association, Mrs. W H. Corwith, Radio Chairman of the Women's Auxiliary of the American Legion, Dr. James Rowland Angell, and other speakers at a luncheon given by the National Broadcasting Company in New York.

Dr. Angell, NBC's Educational Counsellor and former President of Yale University, speaking as a parent and grandparent, said:

"I wouldn't pretend for a moment that there can't be great improvement in children's programs, and I want to assure you that so far as the National Broadcasting Company is concerned, it has nothing more seriously on its mind. It has made the most serious effort to make those programs what I think most of you would desire to have them, programs to which children can listen with interest and understanding and profit and certainly without damage to their central nervous system or any other portions of their anatomies."

During the round table discussion, Mrs. Corwith expressed the opinion that certain types of programs dealing with adult life should be modified in view of the fact that they attracted a large child audience, but stated that as far as she knew none of NBC's sustaining children's programs had ever been criticized.

Mrs. Gruenberg declared: "We exaggerate the magnitude of the problem" and pointed out that in their first studies of children's programs there was a great difference of opinion between "what the children like and what the adults detested and feared". She said that education and a better understanding of the preferences of children since that time has served to help parental guidance.

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RADIO INDUSTRY IN HEALTHY SHAPE, SAYS EDITOR

The radio industry is entering the new year in a more healthy condition that at any time in recent years, says O. Fred Rost, editor of Radio Retailing.

"Leading factor to justify that prediction", says Mr. Rost, "is an inventory situation which is unprecedented in that neither manufacturers nor distributors are carrying over any substantial overstocks of new sets. Previously at the turn of a year, and notably a year ago, excessive inventories forced heavy and demoralizing dumping operations, disrupted normal dealer sales, over-shadowed the sales prospects on new models. Production in many factories continues without interruption as orders from distributors and dealers reflect a highly gratifying flow of consumer buying."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
RECEIVED
JAN 18 1939

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No. 1190

January 17, 1939

NETWORKS NET $45,000,000 IN 12 YEARS, FCC LEARNS

While still groping about for evidence of actual monopolistic practices within the broadcasting industry, the Federal Communications Commission this week had accumulated a lot of evidence on network operations, including the startling fact that the two major networks have netted profits of $45,000,000 within the last 12-year period, during part of which there was a depression.

Resuming an inquiry into the activities of the Columbia Broadcasting System this week, the FCC hoped to enliven the chain-monopoly inquiry shortly with data on station ownership, gleaned from questionnaires sent to all licensees last week. Broadcasters, led by the National Association of Broadcasters, however, complained that they are unable to answer many of the questions asked and requested a simplification of the inquiry and an extension of time beyond January 25, when the replies are due.

The CBS testimony, which began last week, is proceeding more rapidly than did that of NBC and is expected to be concluded by the end of January. William S. Paley, President of CBS, will be the principal witness. While scheduled early in the hearing, his appearance has been postponed until later.

CBS witnesses heard so far have been Dr. Frank N. Stanton, Manager of Market Research; Mefford R. Runyon, Vice-President in Charge of Owned and Operated Stations and in supervisory charge of Station Relations; Frank White, Treasurer; Edward R. Murrow, European Director and Hugh A. Cowham, Traffic Manager. In addition to the witnesses CBS itself had scheduled Ralph F. Colin, General Counsel of CBS and Treasurer of the Park Corp., Mr. Paley's holding company, has been asked to testify by Commission Counsel Porter in connection with that corporation.

Although CBS did not begin operation until a year after NBC, it has earned approximately the same amount of net profit since its establishment, Treasurer White revealed in his testimony. A consolidated profit and loss statement for the network from 1927 to Jan. 1, 1938, disclosed an aggregate net income of approximately $19,000,000 - which just about equaled NBC's net figure for the 11-year period beginning in 1926.

Mr. White estimated that CBS would show a net profit for the 1938 year of approximately $3,500,000 or about $800,000 less than the preceding calendar year. This figure would raise the CBS lifetime net to approximately $22,500,000 - which maintains its slight advantage over NBC's 12-year record.

During the 11 years of its operation, from 1926 to 1937, networks of NBC realized a net operating profit of $18,885,532 out of a gross income of $282,404,984, according to Mark Woods, NBC Vice President and Treasurer. With estimated total revenues of $42,211,268 for the 1938 calendar year, the lifetime record of the NBC networks will show a gross income of $324,616,252, while the net operating profit is expected to rise $3,451,971 for 1938 to bring the 12-year profit figure to $22,337,503.

Other highlights of the CBS testimony to date showed:

CBS owns eight stations - WBT, WCCO, KMOX, KNX, WBBM, WKRC, WJSV and WABC - and leases one - WEEI. As of Oct. 1, last, CBS had 102 affiliated stations, exclusive of the owned and operated group. Replacement value of the CBS owned and operated stations, and of the network's facilities as of the end of 1937 was computed at $9,322,838.

CBS has a total of 1,724 full time employees of whom 274 are artists or musicians. In addition a number of employees are given "casual employment" or engaged on a per performance basis, he said. The payroll in 1938 totaled $5,309,330, and with the "casual" employees, aggregated $6,382,659.

CBS has a policy against selling time for presentation of controversial issues, except during campaign years by qualified candidates. The same policies apply for managed and operated stations, except where local and State election campaigns are involved.

William S. Paley was shown as the owner of 20,530 shares of Class A and the beneficial owner of 108,510 shares of Class A CBS stock. He also held 400,088 shares of Class B and beneficially an additional 340,726 shares of Class B.

Second largest individual stockholder was shown as Isaac D. Levy, with 64,200 shares of Class A owned outright and 63,200 shares of Class A owned beneficially. He also held 23,465 shares of Class B outright and 23,465 beneficially. His brother, Dr. Leon Levy, held the third largest block - 37,850 shares of Class A owned outright and an equal amount held beneficially and 44,900 shares of Class B stock owned with 49,900 shares owned beneficially.

A summary of capital stock issued, held in the treasury and outstanding, from CBS' inception in 1927, through Jan. 1, 1939, also was offered as an exhibit. As of Jan. 1, 1939, this showed that a total of 1,900,747 shares had been issued with a par value of $2.50 per share. The total par or stated value of this stock was $4,751,867.50. Of this total, 192,600 shares were held in the treasury with a value of $1,055,670.64. The total number of outstanding shares, therefore, was 1,708,147.

Mr. Paley was shown as the owner of 110-2/3 shares of WCAU as well as less than 1% of the stock in a group of companies including Sante Fe Railroad, General Foods, General Motors, Liggett & Myers, Texas Co., Time, Inc., and U. S. Rubber, Isaac D. Levy was shown as the owner of 326-2/3 shares of WCAU.

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FCC TO KEEP HANDS OFF THREATENED STRIKE

Officials of the Federal Communications Commission indicated this week that they are watching with interest but plan to take no hand in the negotiations between organized radio entertainers and advertising agencies which threatens to bring about a nation-wide strike.

With some 6,000 radio actors, singers and announcers who are members of the American Federation of Radio Artists involved, the strike, if called, would throw practically all commercial network programs off the air.

All local chapters of the union have been advised by AFRA, which is headed by Eddie Cantor, to hold meetings of their membership not later than January 22 to vote on the strike issue.

Dissatisifed with the minimum wage scales suggested by the fact-finding committee of the American Association of Advertising Agencies, the National Board of the Union informed its 6,000 members that "conditions have arisen in the field of commercial radio broadcasting which make it imperative that members of A.F.R.A. refrain from working for advertising agencies and producers who fail to become signatories to AFRA's code of fair practice".

The Union is seeking a basic wage of $15 for actors and announcers on fifteen-minute programs, $25 for half-hour programs and $35 for one-hour programs, with rehearsal pay at the rate of $6 an hour. The proposed union scale for singers is broken into sixteen categories.

The Association's conference committee insists that the highest feasible minimum wage for all classes of performers and announcers is $15 for fifteen minutes, with two hours of free rehearsal; $20 for thirty minutes, with three hours' free rehearsal, and $25 for sixty minutes, with four hours' free rehearsal.

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PAYNE DROPS LIBEL SUIT FOR $100,000

The $100,000 libel suit of Federal Communications Commissioner George Henry Payne against Broadcasting Magazine, and its editor and publisher, which has been pending in the United States Court for the District of Columbia since December, 1936, was dismissed last Friday.

The editorial which was the subject of Commissioner Payne's complaint criticized his examination of Powel Crosley, Jr., head of Station WLW. Commissioner Payne charged that it transcended the limits of fair comment and libeled him. The magazine explained to Commissioner Payne it had no intention of transcending the limits of fair comment or of doing more than expressing its reasonable disagreement with the views he had expressed and the manner in which he had expressed them.

The dismissal of the suit came pursuant to the resulting understanding had between the parties that the editorial was published by the magazine, its editor and publisher, in good faith as a criticism in a matter of great public interest, as the magazine saw it at the time, and without any malice; and that it was not intended to reflect in any way upon Commissioner Payne's personal or official integrity.

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"SATELLITE" STATION FOR S.C. RECOMMENDED

The Federal Communications Commission this week was advised by Examiner John P. Bramhall to grant the application of Station WIS, Columbia, S.C., for special experimental authorization to erect a "satellite" station at Sumter, S.C., to operate synchronously with WIS. The synchronized station would operate with 10 to 100 watts on 560 kc., the same channel used by the master station with 1-5 KW.

The Examiner found that the "satellite" station would add 13,879 potential listeners or 16.8 per cent radio audience to WIS's area.

"The specific proposal in this case", the Examiner said, "is to establish a synchronous station in Sumter, a city of approximately 11,000 people located 38.5 miles from Columbia, for the purpose of determining by experiment whether the principle of operating such a station with much lower power than the master station and holding it within one-fifth of a cycle of the master station's frequency by auxiliary synchronizing equipment is a practical method to provide such service. . .

"Because of the character of the program of research and experimentation to be carried on, it is believed that the same will contribute substantially to the broadcast art."

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FOUR-POINT PROGRAM ADOPTED BY NAB AND RMA

A four-point program has been adopted by representatives of the National Association of Broadcasters and the Radio Manufacturers' Association in their industry-wide radio campaign to promote both broadcasting and radio manufacturing.

Committees meeting at NAB headquarters adopted the following objectives as the major goal of the year-round campaign to enlist the cooperation of broadcasters, networks, manufacturers, distributors, and retail dealers:

1. To increase the amount of listening
2. To improve the quality of home reception.
3. To sell the excellence, variety and extent of American radio program service
4. To sell the American System of Broadcasting and the contributions made thereto by the individual NAB stations.

While details of the campaign are now being pursued, the Committee members agreed that it would be administered through the Public Relations Department of NAB for the time being.

Networks are expected to contribute one program a week to the campaign. Transcriptions will be furnished non-network stations weekly. In addition, all stations will be enabled and encouraged to contribute their own programs, calculated to sell their own operations, as well as American radio generally.

Through factory cooperation, retailers will distribute NAB literature, such as "The ABC of Radio", in the eight million radio sets sold a year; will develop special window displays highlighting American radio program service and providing local stations with window-tie-up and program-schedule spotlights. Regularly scheduled newspaper and other advertising will be coordinated with the central themes of the campaign. Copy in the national advertising of manufacturers in all media will likewise be coordinated.

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DEALERS DON'T EXPECT TELEVISION SETS BEFORE FAIR

Despite previous rumors, it now appears that radio manufacturers will not attempt to market television sets in any quantity until the World's Fair starts, according to the New York Times. The paper quoted dealers in saying that some sample sets have been prepared, but that the prices quoted are quite high. "Manufacturers have been chary in giving either distributors or dealers any tangible information about the new models, but the latter would not be surprised if some of them suddenly introduced television sets with little warning," the Times said.

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STATICLESS RADIO PROMISED BY COLUMBIA PROF.

The dream of all radio listeners - a radio without static or any kind of interference to reception - will be realized next Spring, according to announcement by Columbia University, New York City, as the result of a development by Maj. Edwin H. Armstrong, Professor of Electrical Engineering, inventor of the super-heterodyne receiver.

The feat will be accomplished through the broadcasting of a high-powered, thunder-defying radio transmitter, using the call letters W2XMN, which will employ a revolutionary system of transmission known as frequency modulation.

The new system, because it wipes out static, tube noises and interference, promises to replace the old method now in use in the same manner in which alternating current replaced direct current, Professor Armstrong declared, according to the New York Times. If widely adopted, the announcement added, all the parlor radios now in use will become as obsolete as the radios of the early 1920s are today.

The new method of radio transmission and reception, it was declared, promises to be of vast significance in another direction. Not only will it eliminate all unwanted noises made by nature or man but it will at the same time also open up for the field of high-fidelity broadcasting a vast new air channel in the short-wave range, from ten meters to possibly one meter. This will mean that 1,000 up to possibly 1,500 new radio wave lengths will be available for use for the first time on a practical basis.

"The new system", the announcement said, "will greatly relieve the danger of the air waves being monopolized, which has given so much concern to Congress, by making available a service on the ultra-high frequency channels that are comparatively unused at present."

W2XMN is at present assigned to broadcast in the vicinity of 40 megacycles (40,000,000 cycles) by the Federal Communications Commission, which corresponds to a wave length of 7.5 meters

The new system operates on a band of 200,000 cycles. Since a wave length of one meter corresponds to 300,000,000 cycles, it can be seen that at this wave length there would be room for 1,500 radio stations operating on the new Armstrong system of 200,000 cycles. At the present wave length of about 7 meters, which corresponds to a frequency of 120,000,000 cycles, there will be room for 600 additional radio broadcasting channels in a band now comparatively unused because of fading, skip-distance, static and other practical difficulties that the new system eliminates, it was said.

Construction of "frequency moduatel" receiving sets of the new type, which had been at first labeled an impractical dream by radio manufacturers, is already under way at the plant of the General Electric Company, it was announced. The new sets, when produced on a quantity basis, it was added, "will cost no more than the ordinary good sets of today and will be able to receive both the old and new kinds of broadcasting much the same as sets now receive both the short and long wave programs."

It was pointed out that the short wave receiver of present models would not be able to tune in on the programs transmitted by the new system.

Station W2XMN is built in a wooded section of Alpine, N.J., atop the Palisades. It has a 400-foot tower with three 150-foot cross-arms, rises 1,000 feet above sea level and can be seen from almost any spot along Riverside Drive.

The tower is constructed in an entirely new design perfected by Professor Armstrong. Instead of the conventional wires strung between two supports, the aerial consists of a series of copper plated steel bars fastened to a boom suspended between the tower's cross-arms. Waves sent out over these bars may be concentrated along the earth's surface, whereas the waves broadcast by the ordinary wire aerial go off in an arc in all directions.

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CANADIAN PUBLISHER EVADES RADIO BAN

By using electrical transcriptions on 19 Canadian radio stations Monday, George McCullagh, owner of the Toronto Globe-Mail, evaded a ban ordered by the Canadian Broadcasting Corporation on the broadcasting of the views of an individual not sponsored by a political party over a national hook-up.

The ban had been justified by Transport Minister C. D. Howe on the ground that to allow wealthy men to buy time on a network to air their views would constitute a discrimination against poor men.

He said that the British Broadcasting Corporation and the National Broadcasting Company have similar rules.

The publisher's address, the first of a series, was addressed to the members of the new Parliament gathered in Ottawa.

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FOUR RADIO BILLS REINTRODUCED IN SENATE

Four bills were introduced this week and last week in the Senate dealing with broadcasting.

One bill (S.517), introduced by Senator Johnson (D.), of Colorado, would amend the Communications Act of 1934 "to prohibit the advertising of alcoholic beverages by radio".

Senator Sheppard (D.), of Texas, introduced 3.550 which would amend the Radio Act by making it mandatory that a radio station operator be 21 years of age with an exception that the Federal Communications Commission could allow younger persons to become amateur radio operators.

Senator Capper (R.), of Kansas, introduced S.575, dealing with alcoholic beverages in interstate commerce. A paragraph of the bill prohibits advertising of this commodity on broadcast stations.

These three bills are identical with bills introduced by the same members of the Senate at the last session of Congress and all have been referred to the Committee on Interstate Commerce.

At the same time, W. S. Alexander, Administrator of the Federal Alcohol Administration Division of the Treasury, asked Congress in his annual report to ban radio liquor advertising.

Strict regulation of radio broadcasting companies in the field of self-censorship was proposed in a bill reintroduced yesterday (Monday) by Senator Schwellenbach (D.), of Washington, and referred for study to the Committee on Commerce.

The measure, on which the last Congress took no action, would remove from broadcasting companies the right of control over discussions of a controversial nature, and provide for definite periods of time for "uncensored discussion, on a non-profit basis, of public, social, political and economic problems, and for educational purposes. In such periods, exponents of all sides would receive equal amounts of time.

The bill would require complete recording of applications for radio time and the reasons for rejections and for changes of programs dealing with public discussions.

Censorship by government agencies would be limited to defamatory or objectionable language.

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McNINCH REPORTS ON SAFETY-AT-SEA ACT

The Federal Communications Commission "has no specific recommendations to make for new legislation with respect to safety of life and property at this time", Chairman Frank R. McNinch informed the President of the Senate and the Speaker of the House of Representatives this week. In identical letters to the presiding officers of the two Houses of Congress, Chairman McNinch said:

"The Federal Communications Commission transmits herewith its report on the subject of whether or not any new wire or radio communication legislation is required better to insure safety of life and property, pursuant to the second proviso of Section 4(k) of the Communications Act of 1934, as amended by Public, No. 97, 75th Congress, approved May 20, 1937.

"In general, the provisions of the statute have proven suitable for the accomplishment of the purpose of promoting safety of life and property through the use of wire and radio communication and they represent the practical limits to which it appears necessary or advisable to go at the present time. Accordingly, the Commission will make no recommendations for additional legislation for safety purposes of a major character during the present session of Congress.

"The Commission is now engaged, pursuant to the provisions of Section 602(e) of the Act in making a special study of the radio requirements necessary or desirable for safety purposes for ships navigating the Great Lakes and Inland Waters of the United States; and it is required to report its recommendations thereunder to the Congress not later than December 31, 1939. Should the results of this study disclose a need for legislation, such proposals should be coordinated with any major changes in the provisions made for promoting safety of life at sea generally. The Commission, therefore, deems it advisable to defer any specific recommendations it may have for general safety of life at sea legislation until after the completion of the study.

"The Commission is not aware of any present need for additional legislation affecting the use of wire lines for safety purposes. No cases have come before it involving the application of safety principles in connection with the operation of wire lines of which it has been unable to make appropriate disposition under its existing powers.

"Since the last report to the Congress under the provisions of Section 4(k) the Civil Aeronautics Authority has been created. In the administration of the Aeronautics Act the use of radio plays an important role. The Authority and the Commission recognize the desirability of conducting a study to determine what, if any, additional legislation may be helpful in correlating the administration of the Communications and the Aeronautics Acts. It is desired to have the benefit of further experience under the

new law before attempting to reach definite conclusions and a series of conferences between the two agencies has been arranged looking to the submission to Congress at a later time of such concurrent specific recommendations for further legislation on this subject as may be found necessary or desirable.

"The Commission has given special consideration to this subject and reports for the reasons given above that it has no specific recommendations to make for new legislation with respect to safety of life and property at this time."

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CROSLEY TO MARKET FACSIMILE MACHINE

The Crosley Reado, a facsimile machine, will be placed on the market by the Crosley Corporation this Spring, Powel Crosley, Jr., President, announced at a demonstration to Cincinnati publishers last week. Mr. Crosley said that the complete set would retail for less than $150. It consists of a printing section and a radio section, the two fitting together. The printing section will cost $79.50. It may be attached to any radio with a loud speaker output of five watts, in other words, a five to seven tube set.

Mr. Crosley is using the Finch system of facsimile developed by W.G.H. Finch, of Finch Telecommunications Laboratories, New York.

The Reado is equipped with a clock which may be set to start as early as 2 A.M., when the Crosley station, WLW, starts its facsimile news and pictures broadcasts. The report will be printed on a paper ribbon the size of two newspaper columns.

Mr. Crosley said facsimile broadcasts would be used as an adjunct, and not as a competitor of newspapers. He has been experimenting with facsimile broadcasting two years. He said the broadcast could be received in a radius of 500 miles.

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TELEVISION TESTS IN CAPITAL PLANNED BY NBC

Demonstrations of the latest television equipment will be made before members of Congress and the press next week by the National Broadcasting Company. The NBC television van left New York today and planned a stop in Philadelphia before proceeding to Washington.

Six television receivers will be installed in the National Press Club. The plan is to interview members of Congress and Administration officials at the radio cameras. From the mobile unit the images will be telecast on ultra-short waves to the Press Club.

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TRADE NOTES

While condemning certain broadcasts sponsored by the Basic Science Institute and the Samaritan Institute, the Federal Communications Commission this week renewed the license of Station KMPC, Beverly Hills, Cal., on the ground that it is now furnishing a satisfactory service.

For the third consecutive year, Blackett-Sample-Hummert, Inc., placed the largest amount of business on the three radio networks - NBC, CBS and Mutual - in 1938, with a total of $9,093,125.

RCA Communications, Inc., last week reported gross profits of $4,250,508 and net income of $367,882 for the eleven months of 1938 ending November 30. This figure compares with 1937 returns of $4,767,251 and $973,713, respectively.

Germany will build two radio communication stations in South America this Spring, one in Buenos Aires and another in Lima, to carry the reports of the German Transocean News Service, according to the Associated Press. The stations will be the first in a link designed to aid the Nazi campaign to exercise political and economic influence in the Latin Americas.

David Sarnoff, President of the Radio Corporation of America is to receive the 1938 Gold Medal award of achievement from the Poor Richard Club at its thirty-fourth annual dinner in Philadelphia tonight (Tuesday), the 233d birthday anniversary of Benjamin Franklin. The honor is conferred annually in recognition of one whose accomplishments have been adjudged to have helped in advancing American civilization and whose efforts have aided in establishing higher standards of living.

A substantial expansion in the advertising efforts of Philco Radio and Television Corporation for this year will result from the company's entrance into new fields, according to predictions in the advertising field yesterday. Philco will be active in five major lines this year. Of primary importance is its entrance into the refrigerator field, with the Conservador line. Secondly, the company, which entered the air-conditioning field last year for the first time with the Cool-wave portable air-conditioning unit, will expand its activities in this direction this year and has prepared a complete merchandising and promotional campaign. The company is also introducing a complete new line of dry batteries for all purposes. The 1939 line of Philco auto radios will be shown next month together with complete promotional plans. Advertising continues on Philco 1939 home radios, which were introduced last year.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1091

LEGAL DEPARTMENT
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JAN 21 1939

SLAP AT McNINCH SEEN IN COMMITTEE REPORT

An indirect warning to Chairman Frank R. McNinch that some of his proposed radio policies are at variance with the Communications Act was contained in a 31-page report by a three man Committee of the Federal Communications Commission this week on proposed rules governing broadcasting stations.

Besides recommending that the proposed FCC rule against super-power be retained until a further study is made of the economic effects of such broadcasting, the Committee discussed clear channels, newspaper ownership of radio stations, station profits, programs, absentee ownership, networks, and international aspects of broadcasting.

While recommending no radical changes in FCC policy, the report called attention to the far-reaching effects of certain practices and recommended caution in the adoption of fixed policies.

Its principal findings and recommendations to the FCC are:

That no super-power or 500 KW. stations be licensed until a further study is made of the economic aspects of the issue.

That "public service standards" for broadcasting licensees be adopted but not until a further study is made.

That licenses be extended from six months to a year in an effort to stabilize the industry.

That no "rule-of-thumb" policy be adopted with regard to newspaper ownership of radio stations and that more data be obtained on the subject.

That no further inroads be made on the 25 clear channels but that improvements be made in the utilization of the 19 clear channels to be shared and of local and regional channels.

That network organization should be encouraged rather than discouraged.

The report was prepared by a Committee composed of Norman S. Case, Chairman, T.A.M. Craven, and George Henry Payne. The same group earlier had recommended that Station WLW, Cincinnati, be denied an extension of its 500 KW. experimental license.

The findings and recommendations are based on public hearings held by the Committee last Summer on the FCC proposed rules.

"The American system of broadcasting has its legal foundation in the Communications Act of 1934, which is the outgrowth of the Radio Act of 1927", the report stated.

"In drafting legislation, Congress recognized the underlying doctrine of the American system of broadcasting to be its application to the service of the public in a democracy where initiative and freedom of speech are the cherished rights of the people of the nation. In safeguarding this doctrine Congress specified that the ultimate control of broadcasting channels must rest in the hands of the public and therefore specifically limited the terms of radio broadcasting station licenses to not more than three years, and specified that 'the station license shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof nor in any other manner than authorized therein', and in addition prohibited the transfer of licenses or control thereof without the consent of the Commission."

The Committee cited with significance but without comment the CommunicationsAct's ban on governmental censorship of radio programs.

"Congress also specified that 'a person engaged in radio broadcasting shall not in so far as such person is so engaged be deemed a common carrier'", the report added. "In so specifying, Congress evidently recognized not only the impracticability of regulating the rates charged by broadcasting stations, but also intentionally avoided the potentialities involved in the acquisition by any administration in office of added power to control the channels of mass communication.

"As a safeguard against improper concentration of radio facilities in sections of the country to the detriment of other sections, Congress specified that 'in considering applications for licenses, and modifications and renewals thereof, when and in so far as there is demand for the same the Commission shall make such distribution of licenses, frequencies, hours of operation, and of power among the several States and communities as to provide a fair, efficient, and equitable distribution of radio service to each of the same.'

"In many sections throughout the Communications Act of 1934, Congress has indicated the necessity for the preservation of competition as a further safeguard against concentration of control of broadcasting facilities.

"The Committee is convinced that the American system of broadcasting, operated in accord with the broad policies now prescribed by Congress, has proved to be the best method of applying this modern invention of radio to the service of the people of the United States. The Committee has recognized, however, that the method by which broadcasting is regulated can change completely its aspect as a service to the public. We believe that among the best methods to safeguard the American system of broadcasting is, in so far as is practicable, to encourage and require full and free competition. The Committee is therefore of the opinion that the attainment of this objective requires a faithful

adherence by the Commission to the diversification doctrine of licensing stations in any community or region as well as in the nation as a whole, and also the licensing of an adequate number of stations to insure active competition, not only in business but also in service to the public.

"The Committee also considers that a policy which insures a diversification of programs in any community as well as in the entire nation, will greatly assist in preserving the American system of broadcasting. The public is entitled to a variety of choice of its programs not only from individual stations but also from the system as a whole. Therefore, it is necessary for all licensees who operate facilities using the radio waves of the public domain to maintain a balanced program service of interest and value to all the people in their homes. It is equally necessary that these licensees keep radio a vital force and available as an open forum for the discussion of questions of concern to the public on a fair and equitable basis, regardless of race, creed or political doctrines. This does not mean that radio may be debased as a service but it does mean that the public interest can best be served and freedom of speech safeguarded when station licensees conduct the operation of their stations in accord with the principles of democracy and in accord with high standards of ethics in conformity with the tastes, requirements and desires of the public.

"It appears desirable that the Commission, in rendering future decisions, endeavor to establish a policy which may serve as a guide for all applicants in the matter of economic support for any number of radio stations in cities of different populations. The Committee therefore recommends that in each hearing involving additional facilities in any community, there be specified in the Bill of Particulars the issue of economic support and that the Commission's staff endeavor to present evidence of an economic character in each such instance. The Committee feels that since the evidence now available is not sufficient to warrant the establishment of a uniform policy, the method recommended by the Committee would be the best procedure in establishing such a policy in the future."

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CELLER REINTRODUCES PAN AMERICAN BILL

Representative Celler (D.), of New York, this week reintroduced his bill to authorize the Navy Department to establish a Government-owned Pan American short-wave station in Washington, and the measure was again referred to the House Naval Affairs Committee, which pigeon-holed it last year.

A report on international broadcasting, with recommendations as to what the United States should do, is expected to be made to President Roosevelt the latter part of this month.

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SENATE UNCOVERS LONG-LIFE RADIO TUBE

A radio tube of much longer life than the present type could be produced and sold to listeners if manufacturers wished, Dr. Frank B. Jewett, President of Bell Telephone Laboratories, told the Congressional Monopoly Committee this week.

The testimony came like a bomb-shell to the inquiry, installing new life into what had developed into another "monotony" probe like that of the Federal Communications Commission.

Senator O'Mahoney, Chairman of the Committee, immediately seized the opportunity and asked Dr. Jewett for more data on why the tube is being withheld from the market. Committee members indicated that they will call leading radio manufacturers to question them about the matter.

Dr. Jewett testified that the tube, developed by the laboratories, had been in use over the long distance circuits of the Bell System since 1923. The tube was described as having twenty to fifty times the life of an ordinary tube and using less power.

Asked why it had not been made available to the general public, he said:

"It would not be to their commercial advantage to do it. I know that if I was in their place I wouldn't do it."

He explained that the new tube had 50 times the life of the tube used before 1923, consumed only half as much current and was somewhat less costly to manufacture.

Richard C. Patterson, Assistant Secretary of Commerce and a member of the investigating committee, commented, "I can see how they would sell less tubes all right."

Dr. Jewett had testified that under a cross-licensing agreement Radio Corporation of America and General Electric Corporation had the right to use the invention. The Bell System had used them in another form for long distance telephone communications.

The general policy of the Bell System, Dr. Jewett said, was to "grant licenses broadly", on the 15,000 patents it holds.

Isador Lubin, Commissioner of Labor Statistics, said he could not understand why "someone is foregoing the opportunity of making millions" by not manufacturing the longer-life tube.

The Bell tube is manufactured by the Western Electric Co. He (Dr. Jewett) said he did not know whether the cross licensing agreement between RCA and General Electric prevented Western Electric from manufacturing radio tubes. The improved vacuum tube, Dr. Jewett testified, had saved the Bell system $10,000,000 last year, but had cut Western Electric's production to one-fiftieth of the number of old-style tubes that would have been needed.

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COMMITTEE OPPOSES STRICT BAN ON PRESS STATIONS

While suggesting further study before adopting any policy, the Committee on Rules this week advised the Federal Communications Commission to adopt no "rule-of-thumb" regulation with regard to newspaper ownership of radio stations.

"From its examination of the data at hand (largely taken from the Commission's own files), the Committee feels that to adopt any rule-of-thumb on a subject such as this would run the hazard of working an injury to the service received or entitled to be received by the public", the report stated. "The subject has too many aspects on which little or no trustworthy information is available or analyzed.

"Pending the securing of adequate information, the Commission has at hand the existing procedure established under the Communications Act of 1934 and, by applying the standard of public interest, convenience or necessity to all applications, whether for new stations or for renewals of license, it has power to cope with situations where actual or proposed newspaper ownership of a station raises a doubt as to whether the standard has been or will be complied with in practice.

"Some of the courses of action which are suggested probably could not be followed without a more explicit declaration of policy by Congress. .. . . The Commission should undertake to study further the question not only of newspaper ownership of radio stations, but also the economic effect of radio upon newspapers, and proceed to secure information of an economic character concerning both of these phases of this important matter.

"In future hearings on applications for new stations, particularly in smaller communities, the Commission might include in its consideration of public interest, the factor of radio competition with established newspapers. By this the Committee does not mean to infer that such competition is not desirable, but that if such competition should be destructive and should affect employment of a relatively large number of people in a community, as well as the investment in property therein, there may be involved an element of public interest which, at least, should be considered by the Commission."

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Television's first woman program director, Miss Thelma A. Prescott, has been added to the staff of the National Broadcasting Company to represent the feminine interest in this new art. Miss Prescott will produce fashion shows and other programs with appeal primarily to women.

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U.S. TELEVISION TO SURPASS BRITISH, SAYS FARNSWORTH

The American system of television, which is due to make its debut this Spring will be far superior to that available in England and Germany, Philo T. Farnsworth, Vice-President of Farnsworth Television Corp., Philadelphia, told the Congressional Monopoly Committee Thursday.

The one-time "boy wonder", now in his early thirties, drew gasps of amazement from the Committee members and spectators as he recounted how he had developed the basic idea of television while a boy of 14.

Mr. Farnsworth denied that there had been any organized suppression of television by radio manufacturers and stressed the need for standardization. He said that superior equipment will be made available to the public as a result of the long drawn out experiments.

The Radio Corporation of America, he said, is planning to market in April television receiving sets which probably would be sold for as little as $125; and by the end of the year there was a likelihood that the Television Committee of the Radio Manufacturers' Association would apply to the Federal Communications Commission for authority to start regular commercial television broadcasts.

"The public feels that there may be suppression of patents in television", Senator O'Mahoney said, "and the feeling seems to be that the radio companies have such a large investment in their own field that they might wish to defer the advent of television."

Mr. Farnsworth said that whatever of withholding there had been was due to the "tremendous engineering problem" confronting the companies which would market television.

"When television is introduced", he stated, "we must be very sure that the standard adopted is not one which will freeze the art into a specific form too early."

The television which the American public would soon receive, he said, would be far superior to that which had been available in Germany and England for several years, partly because the industry in this country had a chance to profit by the experience abroad. He said the foreign television application was largely based on patents licensed from this country.

He said the American companies now had equipment which could transmit outdoor news events, movie films and studio performances with such precision that the reception could hardly be distinguished from what is now seen on motion-picture screens.

"Then why is it not on the market?" asked Mr. O'Mahoney.

When Mr. Farnsworth told of the collective plans of the television manufacturers and broadcasters, the Senator asked if it would not be possible for one company to start without the others.

"Yes, but the whole future of the art depends upon standardization of equipment", said Mr. Farnsworth.

He denied there was any attempt on the part of a single company to "police the industry". Modern television, he added, could not be built without using Farnsworth, Bell and RCA patents in combination.

Mr. Farnsworth expressed disapproval of compulsory licensing, in which some committee members have shown an interest, and recommended that the patent procedure should be simplified as much as possible to strengthen the patent monopoly without disturbing the system's basis.

Asked concerning the 50,000-hour vacuum tube which Frank B. Jewett, President of the Bell Telephone Laboratories, told the Committee about Wednesday, Mr. Farnsworth said he believed any electrical company could now make the tube, which the Bell System adopted in 1923, because the patents on it had expired.

"The fact that this tube has not been made available to radio users", he said, "is no indication that the industry is evading public demand. I don't think that a public demand for a tube of this life exists. They would last too long, longer than the life of the average radio set."

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PUBLIC SERVICE STANDARDS FOR RADIO SUGGESTED

While shying from fixed rules to govern radio program service, the three-man Federal Communications Commission Committee reporting this week suggested that "standards of public service", might be adopted for the buidance of licensees and be used as a yardstick in the renewing of permits.

The proposed "standards" would require stations to:

"1. At all times maintain a liberal reaction to public opinion and demands with respect to the service rendered by the broadcasting station.

"2. Be fair and equitable when making its broadcasting facilities available to citizens and organizations of the community in which the station is located, regardless of race, creed, or social and economic status.

"3. Assist in the development and use of talent living in the community, and also bring to the community in so far as is practicable talent resources of the nation.

[illegible]

[illegible]

[illegible]

"4. When practicable encourage the employment and training of residents of the community for service in the various departments of the station.

"5. Render a balanced program service of diversified interest to all the public and include in such service during periods which may be practicable from the standpoint of general public interest, sufficient time for education, cultural subjects, religion, entertainment, news events (both local and general) and the activities of local civic enterprises.

"6. Avoid programs in which there is obscenity, profanity, salaciousness, immorality, vulgarity, viciousness, malicious libel, maligning of character, sedition, and malicious incitement to riot or to racial or religious animosities so as to contrive the ruin and destruction of the peace, safety, and order of the public.

"7. Avoid the broadcasting of lottery information, false, fraudulent or misleading advertising, and programs containing uninteresting and lengthy advertising continuity.

"8. With regard to the advertising of medical services or products, require that the representations made be strictly truthful and decorous, and used as a basis for determining the truth of such advertising the findings of the United States Food and Drug Administration, the Post Office Department, the Federal Trade Commission, the local medical authorities and the expression of the Federal Communications Commission as found in its decision.

"9. Exercise care in making its facilities available on an equitable basis to all if to any advertisers in the community.

"10. If the station's facilities are made available as a forum for discussion of public social and economic problems, exercise care to insure that the listening public has an opportunity to hear opposing schools of thought on controversial subjects of public interest.

"11. Avoid making the station's facilities available for editorial utterances which reflect solely the opinion of the licensee or the management of the station. If editorial utterances are permitted, exercise care not to deny the use of the station's facilities to those having contradictory opinions. In other words, the stations's facilities should be available for the presentation of other sides of controversial subjects on a fair and equitable basis.

"12. Require that all programs should be formulated for broadcasting to the home, so that no listener would be compelled to tune out the station because of doubtful effect on youth.

"13. Maintain station equipment and operating methods in all departments abreast of progress from the standpoint of efficiency, signal intensity and reduction of interference to other stations."

Because many participants in the hearing were unprepared to offer evidence in this matter of standards, the Committee said that the Commission should not prescribe such standards at this time, however.

"This matter might be the subject of a future hearing of a legislative character in which may be considered not only the feasibility of adopting standards but also the procedure for making them effective", it concluded.

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CAUTION URGED IN ADOPTING POLICY ON SUPER-POWER

Weighing the evidence for and against super-power, the Federal Communications Commission Committee reporting on proposed new rules this week recommended that the proposed limitation at 50 kw. be maintained and that the Commission gather more data on the economic factors involved in super-power broadcasting.

The Committee's recommendation is in line with the Senate resolution adopted last year upon the insistance of Senator Wheeler (D.), of Montana.

About a dozen clear channel stations have applied for authority to increase their power from 50 KW. to 500 KW.

Recalling that the Clear-Channel Group of stations advocated the change in rules while the National Association of Regional Broadcasters and others opposed it, the Committee said:

"The evidence shows conclusively that, from a technical standpoint, the use of power in excess of 50 kw. has a distinct advantage because it provides better quality service to the vast population residing in rural areas and in towns which neither have broadcasting stations of their own nor are located within the primary service area of any station.

"Unfortunately, however, the evidence also indicates that there are possible disadvantages of an economic and social character in removing the power limitation. While no one should fear technical progress, it is important in these days of economic upheaval, to understand and consequently to prepare for possible economic changes which may result from technological advances.

"Thus the question of super power, from the standpoint of the general public throughout the nation as a whole, involves a determination of whether the resulting advantages to be gained in the improvements of radio service to listeners in rural areas by means of super power operation from a few stations properly located in the country, are outweighed by the possible disadvantages resulting from adverse economic effects of such super power operation upon a large number of smaller power stations primarily serving the smaller metropolitan areas, as well as by the possible adverse social effects of centralizing into the hands of a few persons such powerful facilities of mass communication capable of reaching all the population of the nation.

"Therefore, from the standpoint of social effect, it is also necessary that the Commission proceed with caution at this time. Furthermore, if as the result of further study of the economic phases of the question, it is ascertained that the advantages of super power would outweigh its disadvantages, the Commission should be prepared to formulate rules to counteract the potential adverse social effects resulting from the concentration of such powerful media into the hands of a few.

"In view of the foregoing considerations, the Committee recommends that the proposed rule be not changed at this time, but in lieu thereof, that the Commission proceed on a more intensive accumulation of facts and a consequent study of the economic factors involved. At a later date the subject of super power may be reopened and decided more positively upon the basis of more accurate evidence and experience than is available at present."

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ONE-YEAR LICENSE FOR STATIONS RECOMMENDED

Doubling of the license term of broadcasting stations is recommended by the Federal Communications Commission Committee on Rules in its report this week.

"The Committee feels that while profits should not be the sole motive of a broadcast station licensee, profits are not only proper but they are also necessary if the public is to have good radio broadcasting service", the report stated.

"Not only must each broadcaster, against constant competition, maintain the public's confidence and interest in the service rendered, but also the licensee must and should operate on a rigid basis of regulation by the Federal Government. The industry is confronted with rapid change, rapid obsolescence, and rapid new and renewed demands upon the enterprise, initiative, and capital of its members. There is always present the threat of sweeping changes in the technical base on which radio stands, as for example, such developments as television. The industry must be sufficiently prosperous, not only to pioneer but also to secure adequate funds to finance the new developments and changes which periodically will continue to confront a new industry based on a rapidly developing new science.

"The Committee is impressed with the necessity for encouraging stability in the business of broadcasting. Such stability is essential if needed improvements in service are to be practically attainable. If there is less risk the net profits might well be smaller than now and yet more satisfactory from a business standpoint with consequent benefits to the public from the standpoint of improved service.

"Based upon the evidence at the hearing concerning the present short term of license the Committee is of the opinion that many advantages can accrue to the public as well as to the industry if the term of license be extended to at least one year."

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W.G.H. Finch, who developed the facsimile radio broadcasting method which bears his name, and representatives of stations licensed to use Finch equipment, were guests in Cincinnati of Powel Crosley, Jr., President of the Crosley Corporation, at a dinner at the Hotel Gibson, Cincinnati, Thursday, January 12th.

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19 CHANNELS CITED FOR IMPROVEMENT IN REPORT

While recommending preservation of 25 clear channels for exclusive use of 50 kw. stations, one on each channel, the Committee on Rules of the Federal Communications Commission, proposed that in addition to the existing regional and local channels 19 channels be made available for general improvements.

"In providing for the future improvement in rural service, so as to make it compare more favorably with existing urban service, the Committee considers the retention of 25 channels on which only one 50 kw station operates at night to be the safest course for the present", the report stated. "Too much is not known of potential technical developments other than mere duplication to warrant the Commission's adopting duplication as the only course at this time. Furthermore, it should be borne in mind that many of the attempts to utilize all channels on a shared station basis are for the purpose of improving urban service by means of regional and local station usage. Therefore, it appears that a more reasonable course would be to exhaust the possible improvements which may be available in a better use of regional and local station channels and of the 19 clear channels which the Committee has recommended be shared station channels, rather than to tap the reservoir of the remaining 25 channels to too great an extent.

"Thus, in addition to the existing regional and local channels, there are 19 channels (i.e., 15 of the former 40 clear channels and the 4 former high power regional channels), which the Committee recommends be made available for general improvements in sections of the nation. In addition, under the provisions of the North American Regional Broadcasting Agreement, other channels will be available for use on a limited scale for further improvements of service in the United States."

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G.E. STATION TO BLANKET SOUTH AMERICA

General Electric's powerful new-type short-wave radio transmitter, which will be opened next month at the San Francisco World Fair, will broadcast in five languages to South America and the Orient. After the Fair it is to be set up permanently as a non-commercial station at nearby Belmont, and could be used to reach the peoples of South America and Asia with America's point of view.

Radio technicians said the 200,000-watt equipment would have enough power to blanket short wave reception from the Rio Grande to the Straits of Magellan, broadcasting in English, Spanish and Portuguese, and from the Caribbean Sea to the Indian Ocean sending in English, Japanese and Chinese.

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No. 1092

January 24, 1939

FCC REORGANIZATION ASKED BY PRESIDENT

Expressing thorough dissatisfaction with the present "legal framework and administrative machinery" of the Federal Communications Commission, President Roosevelt this week asked Congress for new legislation "to effectuate a satisfactory reorganization."

The message was addressed to the Chairmen of the Senate and House Committees on Interstate Commerce. It was disclosed, however, in testimony of Chairman Frank R. McNinch of the FCC before the House sub-committee on Appropriations in executive session Monday.

The text of the letter follows: (addressed to Senator Burton K Wheeler)

"Although considerable progress has been made as a result of efforts to reorganize the work of the Federal Communications Commission under existing law, I am thoroughly dissatisfied with the present legal framework and administrative machinery of the Commission. I have come to the definite conclusion that new legislation is necessary to effectuate a satisfactory reorganization of the Commission.

"New legislation is also needed to lay down clear Congressional policies on the substantive side - so clear that the new administrative body will have no difficulty in interpreting or administering them.

"I very much hope that your Committee will consider the advisability of such new legislation.

"I have sent a duplicate of this letter to Chairman Lea of the House Committee on Interstate and Foreign Commerce, and I have asked Chairman McNinch of the Commission to discuss this problem with you and give you his recommendations."

Unconfirmed reports also were current on Capitol Hill that legislation to change the set-up of the Federal Communications Commission is being prepared and will be introduced shortly.

It was said that the legislation will follow the lines of a proposal formerly attributed to Thomas G. Corcoran, i.e., a three-man Commission, but dropped when the President issued an order that all legislation must originate in Congress rather than within the administrative agencies.

The McNinch "purge" and FCC reorganization were discussed at length during the executive hearing of the Commission along with the "proposed" telephone report.

Republican members of the Sub-Committee, with Representatives Wigglesworth, of Massachusetts, and Dirksen, of Illinois, taking the lead, cross-examined Chairman McNinch at some length regarding the "purge" and his unsuccessful effort to exempt some 60 FCC jobs from the Civil Service Act.

They also questioned both Chairman McNinch and Commissioner Paul Walker regarding the telephone investigation and the procedure followed in conducting the hearings. The questioners were highly critical of the methods used by Commissioner Walker in the inquiry.

Democratic members of the Sub-Committee were silent for the most part during the cross-examination although Chairman Woodrum (D.), of Virginia, came to Mr. McNinch's defense somewhat half-heartedly, it was learned.

While it is doubtful that the House Sub-Committee will take any action either to curb or penalize Chairman McNinch or the Commission, indications are that the Republican members are laying a groundwork for an attack on the FCC, probably on the House floor.

All members of the Communications Commission were present at the House hearing, but Messrs. McNinch and Walker were the only members questioned.

A transcript of the testimony and questioning will be made public when the Omnibus Supply Bill for independent offices is reported to the House, possibly next week.

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CELLER SPONSORS BILL TO RELIEVE RADIO FROM LIBEL

A bill which would relieve radio owners or operators of responsibility for libel or slander uttered over their facilities, providing due care is exercised to prevent it, was offered in the House this week by Representative Celler (D.), of New York.

Representative Celler, who has clashed with commercial broadcasters in the past over his proposals to establish a Government-owned short-wave radio station, struck a sympathetic note in his latest legislative effort due to the general dissatisfaction within the broadcasting industry over present libel laws as they apply to radio stations.

In a lengthy statement Representative Celler explained the purpose of and reasons for his bill and at the same time stated that he saw no need for changing the law with respect to publishers.

"A publisher of a newspaper usually has uppermost control of his own company, and can easily protect himself against libel", he said. "He has the direct supervision of his writers,

and can blue-pencil anything. The editors of his paper can accept or reject the work of the reporter. The publisher, therefore, should be held responsible for libelous and slanderous statements in his paper.....A written word that is poisoned with libel spreads rapidly.

"The broadcaster, on the other hand, in many instances, cannot exercise such vigilance. He cannot control that which is spoken over his station. Be he ever so alert, the speaker may often get in edgewise damaging utterances. He cannot stand guard as effectively as a publisher or editor of a paper or magazine or pamphlet.

"Furthermore, it is often impossible to prevent orators over the radio from uttering slanderous statements. A 'mike' may be set up at a political meeting, or in a banquet hall. The owner of a station may have asked for a copy of the script, and the request may have been refused. The importance of a speaker or the occasion may make the speech or speeches of real value and consequence. The owner can exercise no power or control over the speaker. The owners of radio sets are anxious to get the words of the particular speaker on particular occasions. Some one is slandered. Is it fair to hold the owner of the radio station responsible for these slanderous utterances, when he had no opportunity to stop or prevent them?

"Speakers, and particularly officials of public life resent censorship. They are loathe to present in advance copies of their orations, and when they do so they are reluctant to accept the suggested changes.

"We should not compel the broadcaster to censor save to prevent readily ascertainable libel and/or slander. He should, of course, exercise some initiative and be fairly vigilant, but behind that vigilance there should not be the stalking spectre of a suit for defamation. That fear should be removed and he (the broadcaster) should not be liable, except where he is absolutely and directly responsible for the utterance of the orators or failed to exercise due and reasonable vigilance to prevent the damage."

The bill, which seeks to amend the Judicial Code by adding after Section 274d a new Section, states, in part:

"Section 274e: That the owner, lessee, licensee or operator of a radio broadcasting station, and the agents or employees of any such owner, lessee, licensee or operator, shall not be liable for any damages for any libelous and/or slanderous and/or defamatory statement published or uttered in or as a part of a radio broadcast, by one other than such owner, lessee, licensee or operator, or agent or employee thereof, is such owner, lessee, licensee, operator, agent or employee shall prove the exercise of due care to prevent the publication or utterance of such statement or statements in such broadcast."

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CAPITAL TO SEE FIRST TELEVISION EXHIBIT

Television's first showing in the Nation's Capital of high-definition pictures through the air will be given in a series of demonstrations, to begin next Friday,(January 27) by the National Broadcasting Company and the Radio Corporation of America, according to Frank M. Russell, NBC Vice President. The demonstrations, the first to be given by NBC outside New York City, will extend over a five-day period.

Invitations have been sent to the press, members of governmental bodies and the Diplomatic Corps, and heads of engineering, educational and other interested groups to witness images and their associated sound as transmitted by the latest type all-electronic television apparatus. The television showing will be the most extensive ever undertaken with a mobile station by the National Broadcasting Company.

A battery of RCA experimental receivers, installed at the National Press Club, will reproduce the sight-and-sound programs. The transmitting station, the NBC mobile television units which arrived here last week, will be located at the Agricultural Building, more than one-half mile distant. The images will be sent over a radio beam by the units' ultra-high frequency transmitter; sound will be relayed over a separate radio channel.

No elaborate programming is planned, because technical facilities adequate for such an attempt are not available in Washington. An opportunity will be given, however, for a preview of what New Yorkers will begin to enjoy coincident with the opening of the New York World's Fair. NBC will launch a regular television service for the New York metropolitan area in April. RCA plans to market its first commercial receivers at the same time.

"This showing of television", Mr. Russell warned, "should not be interpreted as an indication that a public program service in Washington is close at hand. The National Broadcasting Company is only just now on the eve of regular television broadcasting from Radio City. Present indications are that reception will be limited to a service area extending not more than 55 miles from the Empire State tower transmitter. Washington will probably not have television until the problem of networking is solved. As yet, the engineering and economic problems involved in television networking lie beyond our powers of solution."

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A textual copy of the new license issued by the Radio Patent Pool, of which Marconi's Wireless Telegraph Company, Ltd., is the operating member, has been issued by the U. S. Bureau of Foreign and Domestic Commerce.

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PALEY DISCLOSES CBS BAN ON COMMENTATORS

The Columbia Broadcasting System has adopted a policy of refusing commercial accounts which sponsor radio news commentators of the type of Boake Carter, William S. Paley, President of CBS, disclosed during testimony last week in the chain-monopoly hearing being held at the Federal Communications Commission.

The network's own commentators, whose talks are sustaining features, and straight forward news reports, commercially sponsored, are still acceptable, he said.

Even W. J. Cameron, Public Relations Director of the Ford Motor Company, whose talks during the "Sunday Evening Hour" have aroused the ire of Chairman Frank R. McNinch, has "toned down" his comments and avoided controversial news topics since the policy was adopted last Fall, Mr. Paley said.

Under questioning, Mr. Paley denied that Boake Carter, whose anti-New Deal comments aroused Washington officials, had been put off the air by CBS. The contract under which Philco Radio & Television Corporation sponsored him, Mr. Paley said, had merely expired and was not renewed.

Pressed for a definition as to what he considered a radio news commentator, Mr. Paley said it was a person who expressed editorial opinions and emphasized one side of the news as against another.

"A news commentator in a true sense of the word", he said, "is one who not only gives news but one who takes one side of the news and tries to further one side as against another or at least that practice has developed in radio when news commentators were on the air."

Mr. Paley also told the Commission that CBS restricts the advertising time on its sponsored programs to 10 percent at night and 15 percent in the daytime. Actually, he said, most advertisers don't use that much time for commercial announcements.

Columbia has eliminated the "horror" and "blood and thunder" type of children's programs from its network, he said, and as a result has lost $1,250,000 in potential business. A child psychologist at Columbia University, Dr. Arthur T. Jersild, must pass upon all children's programs, he said, before they are put on the air. A committee representative of the public passes upon policies.

CBS does not permit advertisers to advance controversial doctrines on the air, Mr. Paley said, nor will it sell time for the purpose of forwarding them.

Following Mr. Paley's testimony, which also dealt with his financial holdings, Herbert V. Akerberg, in Charge of Station Relations, discussed CBS contracts with affiliates and Gilson

Gray, Commercial Continuity Editor, explained how the CBS policies Mr. Paley had disclosed are applied.

Columbia was expected to continue on the stand the remainder of this week, after which the Mutual Broadcasting System will present its witnesses.

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ACTORS' STRIKE STILL THREAT; WRIGLEY SIGNS

A nation-wide strike of radio actors who are members of the American Federation of Radio Artists was still a threat early this week as negotiations were continued with Charles J. Post, a Labor Department conciliator, attempting to effect an agreement between the advertising agencies and the Union.

The Union won a round in the fight for higher wage scales when it signed a contract with William J. Wrigley & Co.,Inc. of Chicago. Henry Jaffe and George Heller, counsel for the Federation, said that Wrigley had accepted all the Union's demands concerning wages, hours, and working conditions.

The contract calls for the following minimum wage scale: $15 for a fifteen-minute program, $25 for a half-hour program and $35 for one hour, with $6 an hour for rehearsals, the rehearsals to consist of a minimum of one hour; no free auditions; $75 a week for announcers for a fifteen-minute program, the working week to consist of five broadcasts, and $37.50 for rehearsals; chorus singers are to receive a scale ranging from $14 for fifteen minutes to $20 an hour, with $24 for fifteen minutes and $36 an hour for groups of five to eight. Singers in groups of two to four are to receive each $30 for fifteen minutes and $45 an hour. Soloists will receive $40 for fifteen minutes to $70 an hour.

Mr. Jaffe said copies of the code would be sent out to all advertising agencies and program producers. All refusing to sign will face a strike, Mr. Jaffe said. He added that the Federation would not seek a collective agreement with the American Association of Advertising Agencies.

Meanwhile, the sponsors of commercial broadcasts prepared to take a hand in the dispute.

Mr. Post indicated that one avenue for settling the controversy over minimum wage scales might be to invite the Union, the agencies, sponsors and radio networks to a joint conference.

Frederic R. Gamble, Executive Secretary of the Association of Advertising Agencies, told reporters he was hopeful of a peaceful solution of the dispute. He said the agencies were ready at any time to renew wage conferences with the Union.

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EARLY ACTION ON CASE APPOINTMENT SEEN

The Senate Committee on Interstate Commerce probably will act this week on the nomination of Norman S. Case for another term as a member of the Federal Communications Commission.

No protests have been receive against the appointment, according to the Committee Clerk, and no prolonged hearing is likely. Mr. Case may be called before an executive session of the Committee, however, for questioning.

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NAZI BROADCASTS KEEP U.S. OUT OF PUERTO RICO

Powerful German broadcasts make it almost impossible for radio listeners in Puerto Rico to tune in either local or United States stations, according to the Rev. Jarvis S. Morris, President of the Polytechnic Institute of Puerto Rico.

Speaking in a New York City church Sunday, he complained that Nazi propaganda broadcasts are drowning out educational programs from this country. He said there is a definite need for more powerful stations to counteract the European broadcasts.

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THREE FREQUENCIES ALLOTTED FORESTRY SERVICE

The allocation of three new frequencies in the 2000 to 3000 kilocycle band for exclusive use in forestry service in preventing and combatting forest fires, was announced last week by the Federal Communications Commission. Considerable research was necessary to find these frequencies as this band is already shared by police, government, ship, coastal harbor, aviation, and relay broadcasting stations, it was said.

Last June the Commission held an informal conference with representatives interested in forestry communications. Previous to this conference, ten ultra-high frequencies, in the 30,000 to 40,000 band, had been established for forestry use and the medium band frequency of 2726 kilocycles available for emergency service, was also made available to forestry protective agencies.

The ultra-high frequencies were set up for purposes of local communication and the medium frequency was for use in emergencies in ordering supplies and fire fighting equipment. Because the useful range of the ultra high frequencies is limited substantially to the horizon, state foresters and private individuals requested an additional frequency in the medium band.

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U.S.-OWNED MARITIME RADIO STATIONS PROPOSED

A network of Government-owned maritime radio broadcasting stations at "marine schools" was proposed last week by Senator Reynolds (D.), of North Carolina, in a bill introduced in the Senate. The measure seeks to set up the "marine schools".

Each of the schools, the bill provides, would be equipped with a radio station or stations for intercommunication between the schools "and to be available as a coastal radio network for defensive purposes if needed as a screen against foreign radio penetration and propaganda in times of war or national emergency."

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RADIO SATELITES AT ALFALFA FEAST

In the presence of Vice President Garner and a distinguished gathering of notables, leaders in the radio industry saw Gene Buck, head of the American Society of Composers, installed as President of the Alfalfa Club of Washington. Before they succeeded in convincing Senator Pat Harrison, of Mississippi, Past President of the Club that he should give way to Mr Buck, Senator Harrison insisted upon consulting Andrew Jackson "by wireless" as to the propriety of a third term to which Andrew thundered back, "No".

Among those identified with the radio industry attending the Alfalfa Dinner were:

Horatio H. Adams, General Electric Co., Washington; Thad H. Brown, Federal Communications Commissioner; Harry C. Butcher, Vice-President, Columbia Broadcasting Co., Washington; Louis G. Caldwell, radio counsellor; Commissioner Norman S. Case, Federal Communications Commission; Maj. Joseph T. Clement, Radio Corporation of America, Camden; Martin Codel, Editor, Broadcasting Magazine; Commander T.A.M. Craven, Federal Communications Commissioner; Ewin L. David, Federal Trade Commissioner; John W. Guider, radio counsellor; James H. Littlepage, John M. Littlepage and Thomas P. Littlepage, Jr., radio counsellors; Thomas P. Littlepage, Sr., Past President of the Alfalfa Club, radio counsellor; Edgar Morris, Zenith distributor, Washington; Frank C. Page, Vice-President, International Telephone & Telegraph Company, New York; Duke M. Patrick, radio counsellor; Andrew D. Ring, Federal Communications Commission; Oswald F. Schuette, Radio Corporation of America, Washington; Kurt G. Sell, German Broadcasting Company, Washington; Eugene O. Sykes, Federal Communications Commissioner; E. A. Tracey, Vice President, Zenith Radio Corporation, Chicago; Senator Wallace H. White, of Maine; and Frank W. Wozencraft, Radio Corporation of America, New York.

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TRADE NOTES

The deal between the National Association of Broadcasters and E. V. Brinckerhoff and Company, Inc., to continue the NAB Bureau of Copyrights tax free music library has collapsed, the NAB announced last week.

RCA Manufacturing Co., Inc., and Publishers' Service Co. were named defendants in a suit filed last week in the New York Supreme Court in which the plaintiff, Nathan A. Hurwitz, seeks to restrain RCA from selling records and turntables to newspapers through Publishers' Service for promotion.

Hurwitz claims it was his idea and he was the first one to interest RCA, largest manufacturer of musical recordings, in the idea of having newspapers distribute records as part of an advertising campaign. He contends that he contracted with RCA that if the present distribution of records by the New York Post was "sufficiently promising" RCA would deal exclusively with him in this field. In spite of this agreement, Hurwitz alleges, RCA is at present dickering with Publishers' Service at the instigation of the Post to make available to other papers these records and turntables.

Daily publicity releases, as issued by the WOR Press Department, are being used for the station's nightly facsimile broadcasts being transmitted over the regular 710 kilocycle channel after the close of the day's program schedules. Under a specially designed masthead, "WOR RADIO PRINT", executed by WOR's Chief Engineer, J. R. Poppele, these facsimile transmissions also include photographs of the station's activities.

An order to cease and desist from the use of lottery methods in the sale of merchandise, including radios, to ultimate purchasers has been entered by the Federal Trade Commission against J. A. Schwartz, trading as National Sales & Novelty Co., 1407 Diversey Parkway, Chicago.

The Federal Communications Commission refused the request of the National Association of Broadcasters for a simplification of the radio station ownership questionnaire.

C. J. Burnside, formerly Manager of Radio Engineering of the Westinghouse Electric & Manufacturing Company, has been appointed Manager of Radio Sales, according to Walter Evans, Manager of the company's Radio Division. He is succeeded by Donald G. Little, former Chief Engineer of the Radio Engineering Department. John W. McNair, formerly Assistant to the Works Manager of the Westinghouse Merchandising Division at Mansfield, Ohio, has been named Assistant Manager of the Radio Division.

Operating on 25,950 kilocycles - approximately 11 meters, an ultra-high frequency station, W8XNU, has begun a schedule of daily broadcasts under the auspices of the Crosley Corporation, Cincinnati. The station has an output of 1,000 watts. Designed primarily for a local audience, the station is operated on an experimental basis to determine the adaptability of high frequencies locally.

Canadian radio sales to dealers in November, 1938, numbered 28,908 with a list value of $2,277,526 as compared with 38,518 units valued at $2,922,740 in October and 25,903 units valued at $2,375,286 in November, 1937, according to a report to the Department of Commerce from the office of the American Commercial Attache at Ottawa.

Inventories of companies reporting to the Radio Manufacturers' Association of Canada as of November 30, 1938, totaled 62,291 units as compared with 66,662 units on hand at the end of October and to 66,829 units at the end of November, 1937, the report stated.

In response to urging by share-holders, the Directors of the Radio Corporation of America have amended the by-laws of the corporation to permit the selection by stockholders of independent public accountants to audit the corporation's annual financial statements. The action amending the by-laws was taken by the Directors on Dec. 22, but was not made public until last week, when notification of the action was filed with the New York Stock Exchange.

Eight high frequency stations, located in widely separated sections of the United States, will be available for experimental use by the Columbia Broadcasting System following its inauguration of W6XDA on or about February 1, and when CBS places its powerful television transmitter in operation sometime during the Spring or early Summer.

The shortwave and ultra-shortwave stations owned, operated by or affiliated with CBS are: International broadcasting stations W2XE, New York, and W3XAU, Philadelphia; High frequency broadcasting stations W2XDV, New York; W9XHW, Minneapolis and W6XDA, Los Angeles; television station W2XAX, New York.

In additiona, W1XAL and W1XK, international broadcasting stations in Boston, co-operate with CBS by transmitting a number of network programs to Latin-America and Europe.

Representatives of commercial broadcasting stations in foreign countries have formed an association patterned after that of the International Publishers' Representatives' Association under the name of the Association of Representatives of Foreign Broadcasting Stations. Members include All-American Newspapers Representatives, Inc.; Broadcasting Abroad, Ltd.; Chalmers-Ortega, Inc.; Conquest Alliance Company, Inc., and Melchor Guzman Company, Inc. Objectives of the group include dissemination of information on stations and their equipment, adherence to uniform rates, study of listeners' habits and preferences, preparation of market data and improvement of facilities and methods. Offices are at 515 Madison Ave., New York City.

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PHELAN HEADS ALL AMERICA CABLES

At a meeting of the Board of Directors of All America Cables and Radio, Inc., held last Thursday, Frank W. Phelan, Executive Vice President, was elected President, to succeed John L. Merrill, who was elected Chairman of the Board.

Mr. Merrill, who had been President since 1918, entered the employ of the Company in 1884, and Mr. Phelan, Executive Vice President since 1923, joined the Company in 1895.

Mr. Phelan, the new President, like his predecessor, has devoted practically his whole life to telegraphy. He was an operator at the age of fourteen and since 1895, when he joined the company, he has, at one time or another, been in charge of practically every division of all America Cables and Radio.

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FCC WORKING ON NEW TELEPHONE REPORT

The Federal Communications Commission's ultimate report to Congress on its investigation of the American Telephone & Telegraph Co., it now appears, will be in different dress than the proposed report which was sent to Committees of Congress last April.

The Commission has decided to hold two meetings a week on the telephone report, and expects to have it ready in a few months, but it was indicated that progress in consideration of the report has been slow at the few meetings that have been held.

There is some difference of opinion among members of the Commission as to the manner in which the information was developed. Although those objecting to the refusal to permit the telephone company representatives the right of cross-examination and rebuttal are of the belief that the Commission acted within its authority, the belief was expressed that more could have been accomplished and better feeling engendered had this been done.

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CROSLEY FACSIMILE RECEIVER EXHIBITED

A device, which can be used in connection with console radios, permitting reception of pictures and printed matter in facsimile, was displayed by the Crosley Distributing Corporation, New York City and the Apollo Distributing Company of Newark, N.J., wholesalers in that area for the Crosley Corporation of Cincinnati, to 1,500 dealers at a luncheon yesterday (Monday) in New York City. The mechanism will retail for $79.50.

It was announced that the Crosley Corporation would display its products at the World's Fair in a special building which also will contain a studio of Station WLW. The new line of radios, gas ranges, washers and refrigerators were shown to the dealers in New York City.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

JAN 28 1939

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McNINCH ON WAY OUT AS FCC REFORM LOOMS

While President Roosevelt has given no indication as yet whom he may appoint to the proposed three-man Federal Communications Commission, once it is approved by Congress, competent observers believe that Chairman Frank R. McNinch is being eased out and will return to his post as head of the Federal Power Commission after the present Commission is abolished.

The terms of all seven members of the FCC will expire with the change in character of the Commission, and the President will be free to select entirely new personnel or one to three members of the present FCC for the jobs.

President Roosevelt is realiably reported to have remarked recently that he wished all members of the Commission would resign, and it may be that he will make a clean sweep in the reorganization.

Were it not that Commissioner T.A.M. Craven is in such bad graces with Chairman McNinch because of his opposition to the purge and other McNinch policies, he would be the most likely reappointee. Being the only member of the Commission thoroughly familiar with the technical aspects of communications, he stands out as the type of man suggested for the new Commission by Chairman Wheeler, of the Senate Interstate Commerce Committee.

Commander Craven has been a respected confidential advisor of the President in the past, and it may be that he will emerge on top in the present reorganization despite Chairman McNinch's animosity toward him. Much will depend, it is believed, on the impression that he makes on the Congressional Committees that investigate the FCC in connection with the reorganization.

Meanwhile, it appeared that the McNinch-Wheeler plan of pushing through a bill setting up a three-man Commission before defining policies for it will encounter obstacles, at least in the House.

While Senator Wheeler predicted that he will be able to rush the legislation through the Senate, Chairman Lea, of the House Interstate Commerce Committee indicated he agreed with House members who are demanding an investigation of the Communications Commission before authorizing the reorganization.

Two members of the House introduced resolutions calling for a sweeping investigation of the Commission and the broadcasting industry by seven-man House Committee.

The resolutions which flayed the Commission for disregarding its own rules and the Communications Act and for yielding to political pressure, were sponsored by Representatives Connery (D.), and Wigglesworth (R.), both of Massachusetts. They were similar to a resolution that was defeated by a small margin last year after Administration pressure.

Earlier Chairman Wheeler of the Senate Committee on Interstate Commerce, had asked Chairman McNinch to submit a bill to set up a three-man agency to supplant the FCC. The legislation was promised early next week.

Senator Wheeler, adopting a procedure contrary to that suggested by President Roosevelt, said the reorganization bill would be enacted before steps were taken to clarify the Communications Act so as to provide a definite policy guide for the new Commission.

Under the new plan, it is understood that radio, telephone and telegraph would be governed as separate divisions. A similar system was in operation under the seven-man FCC when Mc. McNinch took office, and he promptly abolished it.

Representative Connery, who has taken up the cudgel left by his late brother in the House, said the three-man Commission, unless properly manned, might be used in a dictatorial fashion because of the concentration of authority.

Both House resolutions charged numerous irregular and monopolistic practices.

Representative Connery's resolution called attention to the unsuccessful effort of Chairman McNinch to exempt FCC employees from the Civil Service and predicted that the current chain-monopoly inquiry by the FCC would result in a "whitewash". He charged that radio facilities had been denied to civic, farm, labor and educational organizations. His proposed investigation would cover the character of programs and advertising rates charged by stations and networks, as well as violations of the Communications Act.

Both resolutions proposed the setting up of a seven-man committee of House members, to be named by the Speaker. Both were referred to the House Rules Committee.

Representative Lea said he had talked with Chairman McNinch concerning the proposed legislation, and that the Commission Chairman was pressing the move for a reduced Commission. He added that Mr. McNinch wants this legislation pressed through first, leaving for the future the matter of amending the present organic act or rewriting a new one to govern the Commission's activities. Mr. McNinch, he said, was so desirous of getting the size of the Commission reduced that he did not want to have this proposed change in the Act included in the general rewriting of the statute at this time because of the delay which might be entailed.

Representative Lea said he believed appearance of this legislation will result in a full investigation because members of Congress will want to know all of the reasons back of such a plan.

Elaborating on his statement that it would take some time to get this legislation before the House, he said his Committee had a number of important matters scheduled for hearings. He was quite sure, he said, it would be necessary to hold hearings.

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"FREE SPEECH" ON AIR IMPOSSIBLE, SAYS McNINCH

Complete free speech on the air for a nation of 140,000,000 listeners is obviously an impossibility, Chairman Frank R. McNinch, of the Federal Communications Commission, told a student organization at the University of North Carolina, Chapel Hill, Thursday night.

The best listeners can expect, he said, is the right to hear both sides of a controversy if the issue is presented at all on the radio. He said he advocated such a policy. The Chairman denied, however, that he favors any form of Government ownership of radio programs.

Excerpts from his address follow:

"There is not and cannot be any such thing as 'free speech' for all our 140 millions of citizens to broadcast their ideas", he said. "Sheer physical limitations make this impossible. Nothing is clearer to me than that the use of the phrase 'free speech', as a label, connoting as it does to all Americans freedom of all to speak, to describe a situation where only those relatively few licensed by the Government and their necessarily limited number of permittees can speak at all, is highly misleading.

"In the United States where democratic ideals and principles are dominant, it is inconceivable that broadcast stations are licensed to serve a few select and privileged people as a medium of communication of their ideas to the rest of us. Can you doubt that the people of this country who insisted on the inclusion of the Bill of Rights in the Constitution would have insisted that neither the Government nor any special group selected or licensed by the Government should have the right to use, regulate or control the expression of ideas and dissemination of information by means of broadcasting in such a manner as to impose its or their views upon the people of this country? Any suggestion to the contrary would have been as repugnant to our people then as I am sure it is to our people today. Broadcasting cannot, as long as we retain the principles of our Constitution become a propaganda medium serving the interests of any administration, Democratic or Republican, or any political, religious or economic organization or any individual however rich

or powerful to the exclusion of others. This does not mean that political, religious, economic or social questions may not be discussed over the radio without doing violence to our Constitution, nor does it mean that persons who are either biased or prejudiced may not be given opportunity to express their bias or prejudice over the radio. It does mean, however, that if any of these questions are discussed, a complete and rounded discussion of all important aspects of the controversy should be given for the benefit of all listeners. Whether such a presentation is achieved through debate or expression otherwise of opposing views is not material. The important and necessary requirement for the protection of the listeners is that all sides be given, if any side is given on any important controversial, social, political, economic, or religious question.

"With respect to broadcasting, the one thing that every person in the United States possesses in common with every other person is the ability to hear radio programs. In the sense that this is something common to all persons, it meets one test which is met by the rights which are recognized and protected by the Bill of Rights.

"I personally have a very strong distaste for the idea that anyone, whether he be a high Government official or whether his command is packed by the persuasive power of economic coercion, can tell me what to say or what not to say. I equally dislike the notion that I or anybody else has the duty, the right, or the obligation to tell anybody else what he may or may not say, whether it be over the air or on the street corner.

"No matter how much I may disagree with the views expressed, I would never advocate that anyone be punished for expressing his views over the air on any side of a controversial question which is discussed over the air, nor hold it against a radio station for letting anyone express his views. But I have the strong conviction that no one should be allowed to have his particular views on a controversial subject broadcast to the exclusion of those holding different views. Unless all sides of an important controversial question are adequately given on the air, the listening public will be incompletely informed. I advocate, in fairness to all listeners, that they be permitted to hear all sides of an important question, and that licensees of broadcast stations or persons to whom they may give or sell time be prevented from taking an unfair, unAmerican, undemocratic advantage, by telling their side of a controversy to the public and preventing the other side of the story from being told as well.

"I am convinced that broadcasters in America today have not and do not seek or desire to exercise any such power. I am equally sure that the Federal Government does not. I am no less sure that the people of the United States do not want either the Government or the broadcasters or the persons to whom broadcasters may permit the use of their facilities to debase to their own selfish purposes this great natural and scientific gift which should be used for the benefit of us all.

"I do not want to close without adverting to the question of censorship of radiobroadcasting. In this vital question I want no misunderstanding to exist as to my position. I am unalterably opposed to government censorship of broadcasting in any manner, shape or form. I do not think the government should

directly or indirectly dictate what shall or shall not be said or who shall or shall not speak over the air on any public question.

"A broadcaster's duty is to see that his station is never used by persons or groups especially interested in some public question in such a way that his station's listeners are left without sufficient information to make their own independent judgments on questions they should help to decide. The right to hear over the air all sides of a controversial question, if one side is presented, and protection from being required to listen to only one side of an important public question to the exclusion of all others, is what, in my humble opinion, the American people of Colonial days, if they had known broadcasting in those times, would have insisted upon in the Bill of Rights. It is also the right which the people of the United States today should enjoy, uniformly and fully."

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NAB LAUDS MOVE TO REWRITE RADIO LAW

Neville Miller, President of the National Association of Broadcasters, offered the broadcasting industry's full cooperation this week in rewriting the Federal radio law.

"I am certain that broadcasters throughout the country welcome the recommendation of the President that the radio law be rewritten", Mr. Miller said.

"It is gratifying that the President has recommended to both Senator Wheeler and Representative Lea that Congress lay down radio policies in new legislation 'so clear that the new administrative body will have no difficulty in interpreting them or administering them'. The President has put his finger on the core of the radio problem.

"Through the National Association of Broadcasters, the radio broadcasting industry of the country stands ready to cooperate with Congress, the President and the administrative agency, in establishing a durable radio administration which will permit the future development of broadcasting to its fullest possibilities, conforming to the finest traditions of public service, in line with our democratic heritage of a free press and a free radio operative within the American democracy."

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The Minnesota Lower House Thursday killed a resolution to memorialize the Federal Communications Commission to bar radio stars if they have been indicted or convicted of a felony. The vote was 63 to 53. L. A. Brophey, sponsor for the resolution, said: "I don't think people ought to cheat the Government out of taxes and then get on a popular radio program and joke about it."

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FCC PROBE A FAILURE, SAYS CONNERY

The Federal Communications Commission's self-investigation and the "house-cleaning" by Chairman Frank R. McNinch have been a flat failure, Representative Connery (D.), of Massachusetts, implied in his resolution proposing a thorough investigation of the FCC and the radio industry this week.

In a series of "Whereases" he hurls a number of charges at the Communications Commission and the industry as follows:

"Whereas the Federal Communications Commission has been the subject of numerous charges of inefficiency, neglect and misuse of official power; and

"Whereas during the Seventy-fifth Congress undenied allegations of corruption of public officials, directly or indirectly, by individuals, companies, or corporations were so prevalent as to indicate the necessity of an investigation by a congressional committee, which investigation was halted by changes in personnel and promises that the situation would be cleaned up by the Commission itself and that the said Commission would conduct an investigation; and

"Whereas said investigation by said Commission has not been completed, and if ever completed is expected to result in a whitewash of very serious charges without changing the basis for the charges heretofore made against the conduct of the Commission; and

"Whereas during said investigation an attempt has been made to destroy all or a portion of the Civil Service status of employees of the Commission; and

"Whereas numerous civic, farm, labor, educational, and other public organizations have been denied the opportunity of operating stations, and practically complete control of the airways is in the hands of a few large companies and chains, amounting to a virtual monopoly, which condition led to the Rules Committee of the Seventy-fifth Congress favorably reporting a resolution creating a special House committee to investigate said charges of monopoly, and the passage of said resolution having been forestalled by the formation of a joint congressional committee to investigate the broad subject of monopolies and which committee has not made public any investigation of the Communications Commission; and

"Whereas the conditions concerning monopoly trafficking in licenses and other charges involving the Commission have not changed; and

"Whereas numerous subjects involving radio are of vast interest to the general public and are a matter of immediate concern, such subjects including the facsimile printing of newspapers by use of radio, television, prevention of monopoly, and the right of the public to have a Federal agency charged with the protection of public interests to be conducted openly, honestly, and efficiently; and

"Whereas it is believed that neither public interest, convenience, nor necessity is served by permitting virtual radio broadcasting monopolies to control this property which has been reserved to the control of the American people.

Representative Connery proposes that a seven-man House committee "shall make a thorough and exhaustive investigation of the Federal Communications Commission and of all charges and allegations of neglect, inefficiency, misuse of public power, corruption, and the existence of a monopoly or monopolies in radio broadcasting and the effect which such alleged conditions in the Commission and such monopoly or monopolies may have on the character of radio programs, and rates charged advertisers, and generally the effect of said alleged conditions and such monopoly or monopolies on the public, and said committee shall report in whole or in part at any time to the House of Representatives during the Seventy-sixth Congress, together with such recommendations for legislation or otherwise, as it deems advisable."

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WIGGLESWORTH HITS FCC ON 28 COUNTS

At least 28 aspects of the administration of the Communications Act by the Federal Communications Commission need investigating, according to Representative Wigglesworth (R.), of Massachusetts.

A bill of particulars covering 28 specific points was set forth by the FCC critic in support of his resolution to investigate the Commission and the radio industry this week. The inquiry, he said, should make a study of the following ills, though not to the exclusion of other matters:

"(1) The cases, if any, in which the Commission has departed from or has modified the application of its regulations and the engineering and other standards generally observed by it, together with the reasons for each such departure or modification;

"(2) All acts by the Commission which recognize or seem to recognize the right of a licensee to a license or a frequency other than as specified in the terms, conditions, and time of the license;

"(3) Whether the acts and decisions of the Commission in broadcasting cases have been influenced by matters not apparent in the public records;

"(4) The geographical distribution of broadcasting facilities and whether there is an equitable distribution of broadcast service to all parts of the country and, if not, what steps should be taken to provide fair and equitable service throughout the United States;

"(5) The extent to which broadcast stations have been concentrated in the larger communities of the country by transfer of stations from smaller communities to such centers or otherwise;

"(6) The extent to which and the circumstances under which the ownership, control, management, or interest in more than a single broadcast station has passed into the hands of any person or group of persons;

"(7) The circumstances surrounding and the considerations for the voluntary transfer of station licenses or construction permits;

"(8) Instances of the transfer of minority interests in broadcasting-station licensees, and all transactions directly or indirectly affecting the control of such licensees, and whether said transfers have or have not been submitted to the Commission for approval and have received Commission approval or acquiescence;

"(9) The sale price of any broadcasting station in any manner sold and transferred, together with a statement of the fair value of the physical assets and of other property, rights, contracts, and licenses involved in said sales, and in particular the value placed by the parties to the transaction upon the frequency licensed to be used;

"(10) The sale of stock or other securities of any broadcasting stations, of any licensees, or of any person or persons directly or indirectly controlling such licensees, and the valuation put by the person transferring the same upon the station license or the frequency, the power or the hours of operation fixed in the station license, and the circumstances surrounding and the consideration for such sales and transfers and as to the participation in the negotiations for such sales and transfers by any person other than the seller and purchaser, the transferor and the transferee;

"(11) The licensing of broadcast stations to persons other than the owners of the physical equipment, and in particular all cases involving the leasing of transmitting equipment;

"(12) The surrender of control of facilities by licensees, including all agreements to accept proffered programs with or without supervision by the licensee;

"(13) All acts or assertions by broadcast-station licensees which involve the claim to any right or interest beyond the terms, conditions, and periods of the license;

"(14) Whether considerations have been paid or promised to any licensee or permittee for not interposing objection to an application for all or a part of his facilities or for other facilities which could not be granted without disregard for the Commission's rules or its standards except with the consent of such licensee or permittee;

"(15) All cases in which persons, whose applications for the renewal of a broadcasting license have been refused by the Commission, have received from persons licensed to use the facilities for which renewal license has been refused money or other consideration in excess of the value of the physical equipment taken off the air and sold to the new licensee;

"(16) Cases in which the real parties in interest in any application for broadcast facilities have not been disclosed to the Commission;

"(17) The extent to which holding or other intermediate companies or persons have been employed in the ownership or control of broadcast stations and the effect of such intermediate ownership or control upon the effective regulation of broadcasting;

"(18) The investments by licensees in the stations authorized to be operated by them, including the investment in equipment and in other items of cost;

"(19) The charges for the use of station facilities and the profit or loss resulting therefrom;

"(20) The extent to which broadcast stations are used to build up other businesses or enterprises in which the station licensees or persons financially interested in the licensees are engaged, the extent to which the facilities of broadcast stations are refused or are granted conditionally to competitors of such other businesses or enterprises, and the effect of the ownership and use of such radio facilities upon the businesses of those in competition with the businesses of those having the radio facilities;

"(21) The extent to which broadcast stations are owned or controlled by or are affiliated with newspapers or other media of information or entertainment, and the effect of such ownership, control, or affiliation upon competing newspapers not possessing such facilities and upon the public interest;

"(22) The development and present facts concerning broadcasting networks or chains, including the effects of chain association upon the licensee's control over his station;

"(23) The effect of chain operations upon the financial results and status of chain affiliated stations and independent stations, the ability of the chain owned or affiliated station to render a local service, both sustaining and commercial and the duplication of broadcast programs; and the desirability of special regulations governing chains and stations engaged in chain broadcasting;

"(24) The extent to which licensees of broadcast stations censor or refuse programs offered to them for transmission and the reasons for and the effects of such censorship or refusal;

"(25) The extent to which, the basis upon which, and the times at which broadcast stations carry programs relating to public affairs, education, religion, labor, agriculture, charity, and public service generally;

"(26) The extent to which and basis upon which broadcast stations carry programs offered by or on behalf of candidates for public office or programs relating to controversial subjects in the field of national, State, or local politics; and

"(27) The extent to which, the basis upon which, the manner in which, and the times at which broadcast stations are used for commercial programs including programs advertising products claimed to have medicinal or therapeutic value and programs relating to products or services, the sale or use of which may be illegal in any State in which the programs of the station carrying such programs may be received, the time given by the several classes of stations to commercial advertising or sales talk in the programs broadcast and whether there should be control or regulation of advertising by radio and the character and extent thereof;

"(28) The extent to which companies engaged in radio communication between the United States and any foreign country have entered into exclusive traffic arrangements or other agreements with the purpose or effect of securing a monopoly in such communication or of lessening competition therein and the effect of such arrangements or agreements upon competing American companies."

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TRADE NOTES

Action to revive the National Association of Radio Dealers, which was formed early last year but failed to function to any extent, will be taken shortly, according to the New York Times. A committee meeting will be held next week, both place and time to be determined. Chief reasons for the renewed interest in such an association are the prospective introduction of television sets, marketing of facsimile sets and the rapid growth in the demand for radio-phonographs. Dealers also wish to be prepared for any problems that might arise in connection with the introduction of the new radio sets later in the year.

Station WRVA, Richmond, a CBS affiliate, will begin operating with 50,000 watts power on January 28th. This tenfold increase in power will add extensively to the station's area of primary coverage - including Norfolk, Newport News and Portsmouth, it was said.

On or before June 1, WWNC, Asheville, N.C., will rejoin the Columbia Network as a member of the Southeastern Group. WWNC operates full time with 1,000 watts on 570 kilocycles.

The Federal Communications Commission this week granted the application of the Eastern Carolina Broadcasting Company, Goldsboro, N.C. for a permit to construct a radio broadcast station to operate on the frequency of 1370 kc. with power of 100 watts, unlimited time.

Columbia Broadcasting System has filed an application with Montgomery County Commissioners requesting permission to erect a radio transmitter for Station WJSV on the Wheaton-Four Corners Road, near Wheaton, Md. The Federal Communications Commission last month granted WJSV the right to increase its power from 10,000 to 50,000 watts and to move its transmitter presently located off Mount Vernon Highway, in nearby Virginia.

As a result of the threatened strike of radio artists the electrical transcription business has taken a sudden spurt, according to the New York Times. In an effort to have replacement programs available in the event that the strike is called, some advertising agencies have started autitioning as many transcriptions as possible. So far the largest agencies have not turned to transcriptions as a substitute for their live script programs, but about a dozen of the medium-sized agencies expect to rely on them, in case of a walk-out, it was said.

Miss Angela Frances McCosker, daughter of Alfred J. McCosker, President of the Mutual Broadcasting System, and Mrs. McCosker, was married Thursday to Sheldon Van Dolen. The ceremony was performed at the Catholic Church of St. Ignatius Loyola in the presence of a large gathering. The Rev. Joseph P. Connor, of West Orange, N. J., officiated.

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I. T. & T. TELEPHONE SUBSIDIARIES EXPAND

Telephone operating subsidiaries of the International Telephone and Telegraph Corporation serving nine countries have reported a net gain of more than 76,000 telephones for 1938, the largest annual gain in their history. The telephone systems operated by I.T.&T. companies in Argentine, Chile, southern Brazil, Peru, Mexico, Rumania, Shanghai, China, and Puerto Rico achieved a new record high development at the end of the year. Companies in Latin America contributed approximately 46,500 telephones of the 76,000 gained, and advance figures on local and long distance telephone calls also reflect the rising current of activity in Latin America during 1938; the increase in long distance usage for the first eleven months of 1938 over the same period of 1937 was approximately 2,800,000 calls.

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FRITZ MEDAL GIVEN TO DR. JEWETT

The John Fritz Medal, highest honor in the engineering world, was presented Wednesday night at the annual medal ceremonies of the American Institute of Electrical Engineers in New York to Dr. Frank B. Jewett, President of the Bell Telephone Laboratories and Vice-President of the American Telephone and Telegraph Company, "for vision and leadership in science, and for notable achievement in the furtherance of industrial research and development in communication."

The Fritz Medal is awarded under the auspices of the four national engineering "founder societies", the American Society of Civil Engineers, the American Institute of Mining and Metallurgical Engineers, American Society of Mechanical Engineers, and American Institute of Electrical Engineers. It was founded in 1902 in honor of John Fritz of Bethlehem, Pa., one of America's pioneers in the iron and steel industries. The medal is of gold and is awarded not oftener than once a year for notable scientific or industrial achievement, without restriction on account of nationality or sex.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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January 31, 1939.

LONG FIGHT OVER FCC REORGANIZATION SEEN

A bitter and probably a long-drawn-out fight in Congress over the proposed reorganization of the Federal Communications Commission appears likely on the eve of the introduction of a bill to abolish the present Commission and set up a three-man agency.

The bill is due to be submitted to Chairman Wheeler, of the Senate Interstate Commerce Committee on Wednesday, by Frank R. McNinch, Chairman of the FCC. It will be introduced in the Senate promptly, but the speed with which the proposed reorganization is proceeding will end there, it is believed.

While Senator Wheeler, long a critic of the FCC and more recently of the Administration, apparently has joined with Mr. McNinch in pushing the reorganization ahead of the pronouncement of policies by Congress, other Senators and members of the Interstate Commerce Committee have indicated they want time to study the matter and probably public hearings.

The House at this time appears even more adamant against a quick change in the Communications Commission set-up despite the frequent attacks made on it in the past.

The Amlie appointment has given opponents of the reorganization timely ammunition, and members are getting ready to sound warnings of dictatorship of the air, political control of the ether, etc.

That public hearings will be demanded before legislation setting up a three-man Commission is enacted by Congress is certain. Whether or not they will be held will depend upon the strength of Administration forces in the Senate and House.

Although the McNinch bill may be put through the Senate quickly, the House Interstate Commerce Committee is in no hurry to expedite the change, according to Chairman Lea, of California. Other and more important matters have priority, he said.

The reporting of the independent offices supply bill, probably next Monday, is expected to launch a tirade against Chairman McNinch and the FCC in the House.

The transcript of the hearing itself will contain interesting reading for the members as to the "purge", dissension within the Commission, and the FCC Chairman's views on newspaper ownership, super-power, and censorship.

Afterward Representative Wigglesworth (R.), of Massachusetts, and probably Representative Dirksen (R.), of Illinois, will explain the recent history of the FCC in more detail, with editorial comment.

Washington observers are admittedly stumped as to the major purpose of the reorganization of the FCC. They recall that Chairman McNinch has commanded a majority of the Commission at all times and consequently was able to adopt any policies he wished regardless of opposition from a militant minority. Some believe that he wishes to eliminate this minority entirely and to set up a rubber-stamp Commission.

Suggested membership for this Commission includes, besides Chairman McNinch, Commissioners Thad H. Brown (R.), of Ohio, and Eugene O. Sykes (D.), of Mississippi.

Other observers believe that Mr. McNinch is "being thrown to the wolves" and that he will not be given a place on the reorganized Commission. A great deal doubtless will depend upon the Congressional reaction to him once hearings are started.

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HOSPITAL TO TRY TELEVISION ON OPERATIONS

Experimental installation of television equipment in one of the nine operating rooms at Israel Zion Hospital, Brooklyn, New York, to enable medical students in the galleries to observe surgical technique more closely was announced this week. This was believed to be the first time television was being put to such use.

The equipment, to be installed at the end of the week by engineers of the American Television Corporation, will consist of an electric iconoscope camera, similar to the type used in regular television broadcasting, and several receiving sets in the galleries. As explained by a company representative, camera lenses, suspended over the operating table, will transmit details of the operation by cable to the screens, each equipped with dials to vary the contrast of light and shade.

On the basis of tests made at the company's laboratories, he estimated that the equipment would pick up surgical technique in incisions several inches deep.

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MORE RADIO APPEAL TO HEADS NEEDED, SAYS McNINCH

A better balance between radio programs that appeal to the head and those that appeal to the feet is needed, Chairman Frank R. McNinch, of the Federal Communications Commission, declared last Saturday night in dedicating an Interior Department program, "What Price America?" over the Columbia Broadcasting System.

"The Commission recognizes the stupendous force of radio", he said. "But it also recognizes that radio, for all its magnificent growth and development in the past fifteen years, is still standing on the threshold of its greatest opportunity. There is far too much at stake for every person in this country for any of us to relax our vigilance lest this powerful force ceases to be an instrument of democracy and, under the domination and control of some group, person or party, be used to serve private rather than public interest.

"While it is true that the radio is still groping its way toward maturity, it now has the power to stimulate the mind of man and help inform him about the more serious complexities in the world. Radio can make us laugh; it can also make us think. It can force our feet to keep time to a light-hearted tune; it can uplift our spirit with the music of the masters; it can rouse our intellect with thought provoking words.

"When radio has become integrated to the point where it appeals to our head as well as our feet in more balanced proportion, it will take its position not merely as a great art, but as the greatest of the arts. Combining as it can both the intellectual and the emotional elements that have made the theater, poetry, and music great, it possesses a universality of appeal and enjoyment for all that hitherto the Arts have given only to a few.

"It is the function of the Federal Communications Commission to so regulate broadcasting in the interest of the public that radio may contribute to a fuller life for every listener. It is my hope that the members of the Commission and their successors will never fail the American people in discharging this solemn duty.

"This new and important aid to civilization is peculiarly dependent upon the intelligent and informed help of the Government because without regulation by the Government of the use of radio frequencies, radio reception would be impossible. This was demonstrated by the period of chaos known to those in radio as "the breakdown of the law" which existed for a period just prior to 1927, when anyone who desired could obtain a license, erect a transmitter, and broadcast at any time on any frequency and with any power he desired. Since the passage of the Radio Act of 1927, the Government has undertaken to carry out, with more than a fair degree of success, a program of allocation of radio frequencies so as to provide as far as possible interference-free reception for all who care to listen."

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GOAL OF 60 DAYS SET FOR CHAIN PROBE BY McNINCH

While only the two major networks have been heard in the current chain-monopoly investigation, Chairman Frank R. McNinch hopes to conclude the inquiry within sixty days, Commissioner Eugene O. Sykes disclosed last week.

The Columbia Broadcasting System was due to complete its testimony this week, after which the Mutual Broadcasting System will go on the stand.

Some of the highlights of last week's testimony and the witnesses were:

W B. Lewis, Vice-President in Charge of CBS Programs, spent two days discussing the network's programs, policies with respect to controversial issues, development of new talent, etc. During 1937, he said, CBS lost an estimated $140,000 due to the cancellation of commercial programs for the broadcasting of important public events.

Questioned regarding the Orson Welles-H.G. Wells "The War of the Worlds", Mr. Lewis said that the broadcast was educational to many listeners in that they became interested in the works of the British author.

Frederic A. Willis, Assistant to the President in Charge of International Stations, explained the non-commercial broadcasts of CBS over Stations W2XE and W3XAU.

Paul W. Keston, CBS Vice-President, insisted that there is a constant competition between CBS and other networks for advertising sponsors. He also discussed details of a CBS contract.

Arthur Judson, President of Columbia Concerts Corporation, explained the functions of his organization as the inquiry adjourned until Tuesday.

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Airplanes operating on internal routes in Egypt will be equipped with wireless telephony as a result of an agreement concluded between the Egyptian Civil Aviation Department and the one company operating in that country, according to a report to the Department of Commerce from the office of the American Commercial Attache, Cairo. Many of the planes being operated on the internal routes of Egypt now employ wireless telegraphy while in flight, according to the report.

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CAPITAL ENTHUSIASTIC OVER FIRST TELEVISION

A customarily blase National Capital became as goggle-eyed as a country village during the RCA-NBC outdoor television demonstration over the week-end.

Members of Congress, Government officials, Diplomats, and newspaper men turned out despite cold weather and rain to get "televised" and see the images of others carried from the Department of Agriculture grounds to an auditorium of the National Press Club, about half a mile away.

Invitations to see the demonstration were accepted with such alacrity that local NBC officials were forced to refuse many requests that the persons invited be permitted to bring wives or friends.

The transmissions, from a technical point of view, were highly successful even during a heavy rain and fog on Sunday. The Sabbath had been selected as the time for members of Congress to be "televised" because it was the only day when one or the other House was not in session.

Despite inclement weather, the members flocked down to the outdoor scene for the interviews and then to the Press Club Building for the reception. They were interviewed by NBC announcers under umbrellas. Flood lights were turned on them to improve the clarity of the images. Afterward, NBC officials expressed surprise at the success of the Sunday transmissions, one explaining that "we did things we had never done before".

The demonstration was prolonged two days because of the demand for additional invitations. Members of Congress, after seeing the exhibit, wanted to bring their wives. One foreign Ambassador asked permission to bring 14 secretaries.

The National Broadcasting Company took advantage of the public interest in the show to announce that it already was making plans to televise the next inauguration in January, 1941.

The television demonstration was in charge of Frank M. Russell, NBC Vice-President and K. H. Berkeley, Washington manager. The idea of giving the first showing outside of New York City in Washington is credited to Oswald F. Schuette, of the RCA. As in the case of the RCA broadcasts started recently in Washington by Mr. Schuette, to which invitations are issued to high Government officials, members of Congress, Government heads and foreign diplomats, who in one way or another are customers of the RCA, the television demonstration was said to have been urged by Mr. Schuette as a good-will proposition and as a means of beating competitors to it by associating television in the Government mind with RCA. This was said to be the objective rather than of paving the way to the sale of sets when and if a television station is built in Washington.

Among those who came from New York to assist one way or another in the demonstration were Frank Mullen, in charge of Public Relations of RCA, O. B. Hanson, Vice-President, National Broadcasting Company and Chief Engineer, Clayland T. Morgan, Director of Public Relations, NBC, Vance Babb, head of NBC Press Bureau, Dr. C. B. Jolliffe, Engineer in Charge RCA Frequency Bureau, Frank Wozencraft, General Solicitor for RCA, and Edward F. McGrady, Vice-President, RCA.

A reception was given by the National Broadcasting Company Saturday afternoon to the people putting on the television exhibit and to members of the press.

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RADIO AD CONTROL HELD THREAT TO PRESS

"Insiders in Washington foresee an effort to give the Federal Communications Commission regulatory power over the advertising rates of broadcasting stations", Editor & Publisher declares editorially in the current issue. "As the next step, if the first succeeds, they predict a downward revision of those rates as a move to make radio a more effective competitor against newspapers, with the expected result that the press will become more 'co-operative' toward the Administration.

"Details are lacking, but the idea in principle seems half-baked and thoroughly unsound. Rate regulation must necessarily be applied to stations individually, and it is difficult to conceive of a power with greater possibilities of tyrannical abuse. The potential club that the government now holds over radio in its semi-annual licensing would be a real and immediate threat if a politically constituted body held discretionary power over the income of station operators.

"There are few desirable hours now vacant on the schedules of the networks, and it is difficult to see how the number of radio advertisers could be materially increased by the reduction of time rates. If, in fact, the downward revision was effected, it might be conjectured that the money thus saved by advertisers could be devoted to other forms of advertising and that newspapers might be benefited, rather than injured, by the change.

"We hope that our informants have misjudged the trend of events. If they are correct, the situation represents a pernicious state of mind in Washington. It means that the people in power, like the dictators of Europe, cannot tolerate the democratic process of opposition through a free press, and that, barred by the Constitution from the gag measures that have been effective abroad, they seek the same end by extra-legal economic pressures."

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RADIO'S INCOME $150,118,400 LAST YEAR

The gross volume of "time sales" by broadcasting stations and networks in the United States during 1938 amounted to $150,118,400, as compared to $144,142,482 during the preceding year, according to the 1939 Yearbook published as of January 30th by Broadcasting Magazine, trade journal.

The actual dollar volume or net income for the year, however, amounted to $122,890,000, before the deduction of advertising agency commissions, cash and frequency discounts, etc. An additional $15,000,000, it is estimated, was derived by the industry from talent and program sales.

Of the $150,118,400 gross, the Broadcasting Yearbook survey shows that $71,728,400 represented time sales by the three major network organizations - National Broadcasting Company, with two networks, Columbia Broadcasting System and Mutual Broadcasting System. Local time sales by stations amounted to $40,090,000; national and regional non-network time sales, $34,680,000, and regional network time sales, $3,620,000.

Of the net time sales, it is estimated that the national networks represented 47% of the industry's income; local, 30.8%; national and regional non-network, 19.8%, and regional networks, 2.4%.

The Yearbook discloses that there were exactly 764 stations in operation or authorized for construction as of January 1, 1939. Of these, 52 had been authorized during 1938 by the Federal Communications Commission; 29 of these remain to be built.

In addition to the national networks, the Yearbook lists 35 State and regional networks or group-operated stations in the United States.

Among the 764 stations, the Yearbook discloses that 238 are owned in whole or part by newspaper or other publishing interests, this number comparing with 211 the year before. Twenty-five stations in Canada are newspaper owned. That the trend toward newspaper acquisition of stations noted in recent years is continuing, is evidenced not only by the increase during 1938 but by the fact that at least 10 applications are pending before the FCC for approval of purchases or transfers of that many stations to newspaper interests.

All but 56 of the country's stations are privately owned and all but 36 derive their revenues from the sale of advertising time. The Yearbook lists 36 stations owned by educational institutions, of which 12 sell time; 13 owned by church organizations or religious groups, of which two sell time, and seven owned by municipal or State groups, of which six sell time.

As of January 1, 1938, the Yearbook discloses, there were 26,666,500 homes in the United States equipped with one or more radios, or 82% of all homes in the country. Urban homes with radios numbered 17,195,600, representing 91% of all such homes, while 9,470,900 rural homes, or 69%, had radios. These figures are given in the 1938 survey of the Joint Committee on Radio Research of the American Association of Advertising Agencies, Association of National Advertisers and National Association of Broadcasters. Later estimates in the Yearbook, however, indicate that 6,000,000 additional home radios and 800,000 auto radios were sold during 1938, which would substantially increase the Joint Committee's count.

The heightening interest in radio among the younger generation is shown in a survey of colleges and universities offering courses in radio instruction. It discloses that 310 institutions of higher learning now offer courses in various phases of radio ranging from actual appearances before the microphone to construction and engineering. Many of these offer credit courses, while 210 more colleges and universities engage in extra-curricular activities involving some phase of radio.

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RADIO EXCISE TAX RETURNS FALL FOR 1938

Total Treasury collections in 1938 of the Federal 5 percent tax on radio and phonograph apparatus were $4,431,614.20, a decrease of $2,227,348,03, or 33.4 percent from the 1937 collections of $6,658,962.23, which were the largest radio collections in any year since the law became operative in 1932, according to the Radio Manufacturers' Association. The records do not include additional taxes, at 2 percent, on automobile radios and accessories, which are not segregated in the Treasury retursn. The 1938 collections of radio excise taxes for the entire year and also for each half-year period were virtually the same as in 1935. The 5 percent tax on phonograph records, amounting to about $300,000 annually, was repealed June 30, 1938.

The possibility of repeal or reduction of the Federal excise taxes, including the 5 percent radio tax, was practically closed by President Roosevelt in his budget message to Congress on January 5. The President advised Congress that it was necessary to continue all of the special excise, or so-called "nuisance", taxes and also asked Congress to explore sources for $422,000,000 in new taxes to cover the national armament and agricultural programs.

President Roosevelt's emphatic demand for continuance of all excise taxes, including that on radio, is expected to be followed by Congress and close the door to any tax repeals or reductions. The RMA recently urged the Treasury Department to recommend complete repeal of the radio tax but the Treasury and also Congress will probably follow the President's recommendations in view of the increase in the 1940 Federal budget to ten billion dollars. A hope for future repeal sometime of some of the excise or "nuisance" taxes was held out by the President.

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TRADE NOTES

Several radio promotion projects, for receiving set, parts and amplifier manufacturers, and including national cooperative plans with the broadcasting industry, will be considered at a meeting of the Board of Directors of the Radio Manufacturers' Association which has been called for Thursday, February 2nd, at the Roosevelt Hotel in New York City. The major project is that of the National Association of Broadcasters and RMA for a national industry-wide campaign to promote the use and sale of radio.

In the first case handled under its new procedure, the Federal Communications Commission this week adopted Proposed Findings of Fact and Conclusions granting the application of John T. Alsop, Jr., Ocala, Florida, for a construction permit to erect a new broadcast station to operate on the frequency 1500 kc. with 100 watts power, unlimited hours.

The Columbia Broadcasting System's "American School of the Air" has been made a part of the New York City school system's course of study and will make its bow to the class rooms of the city's high schools on Thursday, February 2. The program, which for nine years has been radio's foremost contribution to classroom education in the nation, will include, under the new plan, actual participation in the broadcasts of pupils from the metropolitan New York high schools.

Large increases in exports of American sets, tubes, and speakers, but a decrease in parts and accessories, were detailed in the November, 1938, report of the U. S. Bureau of Foreign and Domestic Commerce. The tube exports were even larger than those of November, 1937, while the November exports of sets were the largest of any month in 1938. Total exports of all American radio last November were $2,206,141, a decrease of only 18 percent from the November, 1937, exports of $2,696,018, and a diminishing rate compared with previous months in 1937.

Receiving set exports last November numbered 54,414, valued at $1,249,065, compared with 48,602 valued at $1,118,231 in October, 1938, against 64,297 sets valued at $1,569,812 in November, 1937.

President Roosevelt has requested $1,490,071 for radio equipment for the Signal Corps.

Police Chief Joseph T. Kluchesky is studying the possibility of equipping Milwaukee policemen with two-pound short wave radio receiving sets similar to the type used experimentally by San Antonio, Texas, police. Chief Kluchesky said that such radio receivers, sealed on the police station short wave length, would increase efficiency materially in cases of large-scale riots and on man hunts.

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CONFERENCES HELD AS ACTORS THREATEN STRIKE

On the eve of a nation-wide strike call, the American Federation of Radio Artists agreed this week to meet with a newly formed committee empowered to speak for more than 70 percent of the commercially sponsored network broadcasts and to continue to confer without recess "until a conclusion has been reached". The conferences began Monday morning.

The decision to seek an amicable settlement of the dispute over minimum wage scales for radio actors, singers and announcers was reached by the Union after it had received a request for a meeting from Chester J. LaRoche, President of the advertising agency of Young & Rubicam and Chairman of the new "Committee for Advertisers". The invitation was followed by appeals from officials of the Columbia and NBC networks, with which the Federation has contracts covering entertainers on sustaining programs, that all steps be taken to adjust the controversy without a walkout.

Authority to call a strike was vested in the National Board of the Union by unanimous vote of its 6,000 members throughout the country. The radio artists had been assured of support by the Screen Actors Guild, Actors Equity Association, the American Federation of Actors and the American Guild of Musical Artists, and officers predicted that 35,000 entertainers would refuse to appear on commercial programs if a stoppage was ordered.

Members of the Committee include J. G. Sample, President of Blackett-Sample-Hummert; John U. Reber, Vice-President of J. Walter Thompson; Chester B. Bowles, Chairman of Benton & Bowles; W. B. Ruthrauff, Vice-President of Ruthrauff & Ryan; Leonard T. Bush, Vice-President of Compton Advertising, and Don Francisco, President of Lord & Thomas.

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NEW RADIO DISCOVERY CALLED TELEVISION AID

Three young scientists at Palo Alto, Calif., produced a totally new type of radio which may speed television development, give aviation a formidable "lifesaver" and revolutionize the whole field of ultra-short wave transmission, according to the Associated Press.

Stanford University announced invention of the instrument saying that radio engineers had pronounced it the most important advance in that science since Dr. Lee de Forest produced the vacuum tube in 1906.

It generates extremely short waves which not only have great power but are easily controlled, an impossibility with the usual ultra-short wave equipment. Its sponsors said that its waves, being so short that they made a new approach in ninuteness toward the length of light waves, could be concentrated and reflected like the beams of a searchlight and just as easily.

So well-behaved are these waves, Stanford scientists declared, that many, perhaps hundreds of them, might be shot simultaneously through a long metal tube, each of them carrying a telephone conversation or a telegraphic message.

A single wave, they reported, could be made so narrow - so nearly like the shape of a beam of light - that an airplane pilot could follow it with complete confidence to a blind landing.

This same narrow wave, they added, could serve with new precision as an "absolute altimeter" to tell a pilot his exact distance above the terrain.

Technically, the revolutionary instrument utilizes the fact that an electric field influences the speed of electrons.

An electron stream from a cathode tube is run parallel to the invisible lines of force in an electric field. The field causes the slower electrons to speed up and the faster ones to slow down. The result is that they align themselves into waves or "solid fronts" with intervals of space between.

These electron bunches then pass into a tank containing an electrical current of extremely high frequency. This current picks up energy from the bunched electrons and then bangs itself against a metal plate 3,000,000,000 times or more every second to produce the ultra-short wave.

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NAZI NEWS OFFERED FREE IN ECUADOR

While the Radio Corporation of America and the American Telephone and Telegraph Company are negotiating with the government over the installation of broadcasting stations and a radiophone service, representatives of the German Government's Transocean service are offering to build a powerful broadcasting station, in Guayaquil, Ecuador, according to the New York Times.

The Germans are offering newspapers a part of the news service free, with an extremely low rate for the rest. They are attempting to gain the favor of the press for their proposed contract.

Transocean, the German Government's official propaganda service, is already supplying so-called news to some other Latin-American countries. Further proposed stations in Latin-America would supplement the propaganda broadcasts from Berlin.

A station is being built in Lima, Peru, which is expected to be in operation before the end of the year.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

FEB 6 1939

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No. 1095

McNINCH, WHEELER CONFER; BILL IS HELD UP

Chairman Frank R. McNinch, of the Federal Communications Commission, and Senator Burton K. Wheeler, Chairman of the Interstate Commerce Committee, conferred again Friday on the proposed reorganization of the Federal Communications Commission but did not make public the draft of the measure which is scheduled to abolish the seven-man agency.

Meanwhile, it appeared likely that the nomination of Commissioner Norman S. Case for another seven-year term on the FCC will be favorably reported while the Senate is in recess over the week-end. Due to the fact that Commissioner Case's term will last only until the reorganization is effected, Senator Wheeler abandoned the idea of holding an executinv hearing on the nominee.

While details of the reorganization bill were still held secret, persons close to Senator Wheeler said that while he is willing to go along with Mr. McNinch and President Roosevelt in reducing the size of the Commission, he will insist that it remain an independent agency.

Any effort to place the Commission under the Commerce Department, as originally suggested in the Administration's governmental reorganization report, will be blocked before it begins, Senator Wheeler is said to have told Mr. McNinch.

The Montana Senator has said that he will confer with Senator White (R.), of Maine, before introducing the bill, but it is expected that the measure will be offered to the Senate sometime next week.

Whether public hearings will then be held is still uncertain, but some members of the Interstate Commerce Committee are known to be prepared to demand a full inquiry before approving the measure, regardless of the promise of more adequate hearings in connection with the adoption of definite policies for the Commission.

The report also was current this week that a report on the application of the Communications Act and recommendations as to its amendment is being prepared under the direction of the Corcoran-Cohen group of presidential advisors and will be submitted to Congress before it tackles the policy questions.

Despite official denials, Thomas G. Corcoran, who this week went to Baltimore for a major operation, is known to have had a leading hand in persuading the President that the reorgani-

zation is necessary, and it is believed that he has directed the writing of the measure now supposedly being prepared by Chairman McNinch and the FCC.

The House Rules Committee, meanwhile, is marking time and has shown no indication that it will take up the Wigglesworth and Connery resolutions calling for a thorough investigation of the Communications Commission and the radio industry in the immediate future.

The dissatisfaction with the FCC, however, is due to be aired next week when the House Appropriations Committee reports the Independent Offices Supply Bill, carrying the FCC budget. The report is expected to be made public on Monday.

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COURT UPHOLDS LIBEL VERDICT IN JOLSON CASE

A new instance of the danger of unintentional libel that constantly threatens radio broadcasting stations alarmed the industry this week.

A Pittsburgh court held the National Broadcasting Company libel for $15,000 damages for a "gag line" inserted in a radio interview by Al Jolson. The court upheld a jury verdict awarding damages to the Summit Hotel of Uniontown, Pa. on a slander charge.

The opinion, returned by Judges W. Heber Dithrich, John J. Kennedy and Thomas Crichton of Tioga County, held the radio corporation responsible for Mr. Jolson's alleged slanderous remark. The utterance took place more than three years ago, during an interview with Sam Parks, then national open golf champion and professional at the hotel.

"That's a rotten hotel", Mr. Jolson is alleged to have said during the interview. The remark, the hotel management asserted, cost them thousands of dollars in business.

The broadcasting company argued that it was not responsible, since it had not employed Mr. Jolson and the reported phrase was not in his script.

The hotel originally sought $100,000, but received $15,000 in a verdict last October. Mr. Jolson was not named in the suit.

The case is believed to be the first of its kind and the courts interpretation, it is held, put radio corporations under the same libel responsibilities as newspaper publishers.

Judge Dithrich said in his decision: "This opinion makes the radio company's position analogous to that of the publisher of a newspaper. In other words, the company is responsible for what is broadcast."

The liability, he said, applies both to programs for which the broadcasting company engages entertainers and to commercial broadcasts.

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NAB PROTESTS ACCORD BETWEEN UNION AND NETS

The National Association of Broadcasters made an unsuccessful effort to hold up the signing of a contract between the American Federation of Radio Artists and advertising agencies this week as a threatened strike of radio actors and announcers was halted.

The dispute between the radio actors' union and the advertising agencies, which has been under negotiation for several weeks, was ended with the signing of a two-year agreement, according to an announcement in New York.

Neville Miller, President of the NAB, attending a District meeting of the Association in Mineral Wells, Texas, sent the following telegram in behalf of the broadcasting industry to officials of the National Broadcasting Company, Columbia Broadcasting System and John Benson, President of the American Association of Advertising Agencies, in New York City:

"Have been informed that Columbia Broadcasting System and National Broadcasting Company contemplate signing contract with American Federation of Radio Artists this (Feb. 2) afternoon. Urge you to consider carefully present and possible future effect your action on affiliates, and that matter be discussed with affiliates before contract is signed. Executive Committee of National Association of Broadcasters will meet February 9th, and stands ready to assist in any way possible."

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GERMAN LAW ON INTERFERENCE STUDIED

A committee of the Akademie fuer deutsches Recht is drafting a new German radio law, according to the U. S. Bureau of Foreign and Domestic Commerce.

It is reported that protection against interferences will be an important factor in this legislation. Up to now radio interference has been regulated by special decree and steps have been taken in many cases to eliminate it. For example in most cities the contact rods on street cars were reconstructed to avoid disturbances to radio reception. Radio interference is in most cases caused by electrical installations. Early legislation is expected to set a date after which only interference-proof electrical equipment may be marketed.

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NEW ZENITH CIRCUIT MINIMIZES STATIC

Zenith Radio Corporation engineers, according to Commander E. F. McDonald, Jr., President, have developed a new radio circuit specially designed for reception by means of an inbuilt wavemagnet device surrounded by an electrostatic shield for which are claimed extraordinary powers of static elimination. The development is the result of intensive experiments in the elimination of undesirable electrical interferences, commonly classed as "static" for want of a better name, begun in the Zenith Chicago laboratories over a year ago.

The wavemagnet acts as an aerial and obsoletes the use of outside aerials and ground connections. No batteries are used. While the new development is practically non-directional in relation to signal strength, it is highly directional in relation to man-made static reception, making it possible to cut static through a slight turn of the receiver while the signal remains unaffected.

The first practical application of the new principle will be in small models, of which one design is already on the market.

The electrostatic shield built around the wavemagnet is an ingeniously woven wire mesh, so constructed that the shield does not in any way affect signal pick-up, yet almost totally eliminates the possibility of noise getting through. The principle, though greatly refined and modernized was first used by Michael Faraday, famous English physicist and chemist in about the year 1841.

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NEWSPAPER CHAIN STARTS REGULAR FACSIMILE NET

Inauguration of "the world's first facsimile network" was announced this week in Sacramento by Guy C. Hamilton, General Manager of the McClatchy newspapers, with 100 experimental receiving sets operating in Sacramento and Fresno.

Mr. Hamilton said an eight-page newspaper, containing wire news, comics, features and other material, will be broadcast seven nights a week from midnight to 6 A.M.

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FCC CITES RADIO'S ROLE IN "CAVALIER" RESCUE

The part which radio played in the rescue of the ten persons saved from the British Seaplane CAVALIER when it sank with the loss of three lives in the Atlantic Ocean on January 21st, was cited in a report by the Federal Communications Commission this week. The report also contained excerpts from a hitherto unpublished statement of a hero of the disaster, H.W.P. Chapman, radio operator aboard the Aircraft CAVALIER.

While radio plays a daily role in the safety of life at sea and in the air, the rescue work in the CAVALIER disaster was of outstanding significance in that it proved the value of auto alarms which the Commission in 1937 ordered placed on all cargo vessels over 1600 gross tons, navigating the ocean. It was this auto alarm, sounding off like a fire gong, which attracted the attention of A. R. Hamilton, radio operator aboard the S.S. ESSO BAYTON, and thus set in motion the events which led to this ship's rescue of the ten survivors. Mr. Hamilton, the only operator on the vessel, was not on watch and was busy elsewhere on the ship at the time the alarm bell responded to the international auto alarm signal transmitted by a powerful coastal station on Long Island.

The auto alarm consists of a radio receiver, selector mechanism, and two sets of bells, one of which is located in the operator's sleeping quarters and one on the bridge; and when actuated by the auto alarm signal summons the operator to the radio room in time to intercept a distress message. The CAVALIER had maintained constant contact with the Pan American Airways radio station at Port Washington, Long Island. When two motors on the big four-motored seaplane cut out, Captain Alderson ordered Radio Operator Harry Chapman to send out the signal PAN, which is the international emergency signal for aircraft. Immediately after this the other two motors quit and Mr. Chapman radioed an SOS giving his position. Both of these messages were picked up by the Pan American Airways station at Port Washington (WAQI) and this station immediately notified the coastal stations in the New York area, which at once broadcast the auto alarm signal, the SOS and the position of the ship. Coastal station, WSL, at Amagansett, Long Island, was the first station to get this information on the air. WSL immediately cleared the air of all messages and kept it clear until the seaplane was found.

Exactly twelve minutes elapsed from the time Mr. Chapman radioed, "Sinking, Sinking, Sinking", until the auto alarm signal as transmitted by coastal station WSL at Amagansett, Long Island, actuated the auto alarm receiver on the S.S. ESSO BAYTOWN, which had in turn received the message from WAQI, Pan American station.

The need of such protection as a device like the auto alarm signal can give has been recognized since the sinking of the TITANIC in April, 1912. At that time the S.S. CARPATHIA sailed within a few miles of the stricken ship but did not hear the SOS calls because the wireless operator aboard was asleep. It will be recalled that the CARPATHIA picked up the signal the following morning and returned to the scene of the disaster, playing a major part in the rescue work.

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FACSIMILE NOT YET A THREAT, SAYS E. & P.

"Facsimile transmission of news in its present stage bears about the same relationship to practical journalism as the Mayflower does to the Normandie", Editor & Publisher says in its current issue. "The rudiments of great change are there, change that can shake the newspaper business from toe to crown, and whether they will materialize may be determined within the next five years.

"Experiments have been conducted for several years by the St. Louis Post-Dispatch. A practical demonstration of transmission by the Finch apparatus was given by Editor & Publisher to those attending the publishers' conventions last April. Still more recently, several other important newspapers have entered the experimenting field, and publishers have been shown the operation of the RCA machines.

"By any of the systems in use today, it is possible to transmit about three feet per hour of a sheet 8½ inches wide. Reproduction is faithful and will be improved. There are technical differences in the processes, affecting the range which can be attained either on short wave or standard broadcast bands. The latter, of course, can be used only after the end of the regular sound broadcasting period.

"Receiving apparatus is still too cumbersom and expensive for the wide public distribution that must be attained if this process is to displace the present method of newspaper manufacture. The present speeds are not nearly adequate for the production of a medium of information that could compete with the printed form. The processes, either chemical or mechanical, by which the signals are recorded visibly are still too complex for wide adoption in household use. The physical difficulties of servicing millions of machines presents a problem not yet solved but not insoluble.

"Whether the facsimile process can compete on a cost basis with newspapers at present prices is doubtful. Reception of news by facsimile requires the subscriber to invest in a new machine, which can't combine sturdy operating quality with low cost. It will require a monthly charge for current, probably more than the subscriber now pays for 600 to 700 pages of newsprint per month. It will require a paper supply, which in blank, will probably cost little less than the present delivery of printed papers.

"Not least, the development to success of the facsimile process would entail the scrapping of machinery valued in the billions and the technological unemployment of more than 150,000 skilled printing craftsmen. For these, the electrical process seems to offer no opportunity. That is a tremendous social and economic problem, which, more than any other factor, will affect the future of facsimile and television as a medium of news communication."

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RCA DEVELOPS UNI-DIRECTIONAL MICROPHONE

A uni-directional microphone achieving new sensitiveness on its "live" side by the use of newly developed and more powerful steel magnets, yet capable of turning a completely deaf ear to unwanted sounds coming from any other quarter, has been developed by engineers of the Radio Corporation of America.

Only about half the size of the uni-directional microphone which it supersedes, the new instrument is designed for use in auditoriums with broadcast or public address systems to eliminate pickup of audience noises or echo. It is also adapted for use in small radio studios where space is at a premium, for it will function normally in a corner or against a well.

Precision built to new standards of accuracy, it has a frequency range of from 40 to 10,000 cycles, operated at output impedances of either 50 or 250 ohms and is unaffected by temperature or pressure changes. It has an average cancellation from the back, or "dead" side, of minus 14 to minus 20 db., making it deaf to all extraneous sounds.

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BBC TELEVISION PICKED UP IN N.Y.

Pictures transmitted by the British Broadcasting Corporation's television station at Alexandra Palace, North London, have been picked up by the RCA receiving station at Riverhead, New York, more than three thousand miles away, according to the BBC. The normal service range of the BBC television station is thirty miles.

The program seen by American viewers was "Picture Page" (the magazine feature of the vision programs), the features of Miss Joan Miller, the Canadian actress who plays the part of "the switchboard girl" in the production, being clearly discernible, BBC stated.

"Reception of vision at this distance is possible only under exceptionally favorable conditions", it added. "An illustration of the uncertainty of trans-Atlantic reception on the wavelengths used for television is provided by the fact that on the day when the pictures were seen the accompanying sound was very weak, whereas six days later the sound was heard very well, but no picture could be seen."

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RADIO NEWS COURSE ADDED BY COLUMBIA

The Columbia University Graduate School of Journalism will introduce radio news writing and broadcasting and news photography into the curriculum next semester to keep abreast of the latest technical developments in journalism, Dean Carl W. Ackerman announced last week.

The radio course will be given by Paul W. White, Director of the Department of Public Affairs of the Columbia Broadcasting System and an alumnus of the school. Professor Herbert Brucker, Assistant Dean, will direct the course in news photography, for which a dark room and laboratory have been set up. Dean Ackerman said that the new courses were the outgrowth of experiments and investigations covering seven years.

"In our estimation", he continued, "the essence of journalism is communication or, more particularly, the transmission and distribution of information and knowledge. We have been receiving radio news broadcasts in our classrooms since 1931. The technical means by which the transmission and distribution of information are achieved, whether by the printing press or by radio, pictures, the screen, television or facsimile, is becoming increasingly important to the journalist. Therefore, our courses of study must be more and more closely related to all the new technical developments in journalism as they come into general use."

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ITALY BROADCASTS IN 21 LANGUAGES

Twenty-one languages are now spoken daily in transmissions from the Italian stations, according to World-Radio. Broadcasts start at 10:30 A.M., and continue at intervals throughout the day and night until 3 A.M. The majority of these transmissions, organized especially for listeners in foreign countries, are radiated by the Rome short-wave group of 2RO at Prato Smeraldo, Radio Bari, and Trieste.

The languages principally used are English, French, Spanish, and Portuguese (the last for the South American period, which is from 11 P.M. to half-an-hour after midnight, G.M.T.); then come Hungarian, Bulgarian, Greek, Turkish, Japanese, Chinese, Hindustani, Bengali, Serbian, Danish, Swedish, German, Roumanian, Russian, and, of course, Italian. Trieste station broadcasts talks and announces musical programs in Serbian, Roumanian, Bulgarian, and German, while Bari transmits in Arabic, Greek, Turkish, and also in English and French. The Rome new 100 KW station, and the two supplementary 50 KW stations deal with the transmission to the Far East, in Hindustani, Bengali, Chinese, Japanese, as well as with the North American Hour (really an hour and a half) every night from 12:30 to 2 A.M. (G.M.T.). English is the languaged used for this last program, which is intended for the United States and Canada, although occasionally Italian is spoken for the benefit of Italians in America.

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CANADA PLANS RADIO FORUM FOR MINORITIES

The difficult task of giving the poor man and the minority political party equal chance with their stronger counterparts to broadcast their views on public questions is to be undertaken by the publicly owned Canadian Broadcasting Commission, according to the Ottawa correspondent of the New York Times.

This assurance was given by the Transport Minister, C. D. Howe, in the course of a debate in the House of Commons over the recent refusal by the C.B.C. of a national hook-up to George McCullagh, proprietor of The Toronto Globe-Mail, who wished to criticize Canada's present political regime, in a series of broadcast addresses. Mr. McCullagh called this ban "a betrayal of the freedom of speech" and "a piece of political intrigue" and has been supported in his stand by former Premier R. B. Bennett and other Conservative leaders.

Mr. Howe explained that the CBC, although a public body, was independent of the Canadian Government.

Last year Prime Minister Mackenzie-King objected to broadcast attacks on Neville Chamberlain's foreign policy, made by George Ferguson, editor of The Winnipeg Free Press, but the C.B.C. refused to cancel the broadcasts.

Newspapers, said the Minister, have not opened their columns to every one who wishes to air his views in them. The C.B.C., like the British and United States broadcasting companies, he went on, did not think networks should be thrown open to persons who wished to express their opinions on public questions merely because they had the money to buy time. It was, however, considering changes in regulations which would give more opportunity to the poor man to use its facilities.

It is reported that the plan in contemplation is a wide extension of public forum programs.

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NBC BILLINGS FOR JANUARY UP 6.3%

Billings of the Red and Blue networks of the National Broadcasting Company totaled $4,033,900 last month, an increase of 6.3 percent over the $3,793,516 for January, 1938. The network now has 167 stations, a gain of twenty-five in the year, some of which, however, are "bonus" stations, from which the chain does not derive any revenue.

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TRADE NOTES

The Maryland Legislature will be asked by the Board of Commissioners of Prince George County to decide if the equipment used by radio stations to convert electric energy into ether waves is manufacturing machinery, if a recommendation by Thomas W. Baxter, Supervisor of Assessments, is followed. The controversy arose over the contention of the National Broadcasting Company that all equipment used at its transmittal station is used in manufacturing and therefore tax exempt. Mr. Baxter contends that such equipment as used by the station does not qualify under the law.

Albert Freefeld, 40 years old, of New York City, a salesman, has been arrested and indicted for grand larceny in probably the first "television swindle" case. Assistant Attorney General Oscar L. Spears said Freefeld was one of two associates of A. Dudley Phelps, securities dealer, charged with swindling three Sullivan County farmers of $4,285 last Summer by selling them worthless television stocks.

Mayor LaGuardia this week notified Chairman McNinch of the Federal Communications Commiss of New York City's intention to file application for a full-time allotment for the municipal station WNYC, which, he said, was "now at the mercy of commercial stations after dark".

Organization of the Philco Refrigerator Company, a subsidiary of the Philadelphia Storage Battery Company, was announced this week. W. Paul Jones, of Indianapolis, Ind., has been made President of the new company. Philadelphia Storage Battery Company manufactures Philco radios, which are sold by Philco Radio & Television Corporation. Philco Refrigerator Company acquired the manufacturing rights and patents on the Conservador refrigerator from Fairbanks, Morse and Company, and has assumed control of the latter's refrigerator plant.

Roland Burke Hennessy, retired publisher and editor, died Wednesday at his home in Larchmont, N. Y., after a seven-months illness. He was the founder, and until his retirement last year, President, Treasurer and a Director of the Hennessy Radio Publications Corporation, 145 West 45th St., New York City, publisher of the magazine Radio World. His age was 69.

On or before March 15, Station WRBL, Columbus, Ga., will become affiliated with the Columbia Network as a member of the South Central Group. WRBL operates with 100 watts night time power and 250 watts daytime on 1,200 kilocycles.

Effective March 1, Station WBRK, Pittsfield, Mass., will be dropped from the Columbia Network.

Because of unsettled foreign affairs, the Pilot Radio Manufacturing Company, Long Island City, N. Y., which heretofore has done the largest portion of its business abroad, has decided to redesign its line for the American market and to intensify promotional activities in this country. The company will introduce two popular-price portable sets. Metropolitan newspapers and radio news broadcasts will comprise the merchandising and advertising campaign. Austin & Spector Company directs advertising activities.

WJR, The Good-Will Station, of Detroit, reports for 1938: Netincome $330,578, equal to $2.55 each on 129,500 capital shares, against $514,378, or $3.96 each on 130,000 shares in 1937.

The lengthy name of Batten, Barton, Durstine & Osborn has frequently been the butt of good-humored jokes in the advertising field, the New York Times notes. This week the National Broadcasting Company furnished a new one. In a release sent to newspapers to announce the renewal of the "March of Time" program, NBC casually called the agency, "Batter, Barter, Durstine & Osborne".

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ITALY TO SET UP 50 TELEVISION TRANSMITTERS

With only a passing reference to those owning present-day receiving sets, the Italian press in large headlines is proclaiming the early initiation of television transmission in Italy, asserting that the studio of E.I.A.R. is so complete that it is only necessary to give the finishing touches, according to the American Commercial Attache at Rome.

"The press also unhesitatingly states that the equipment for the regular transmission of motion picture films is complete to the last detail. . .'The entire transmission plant which consists of all equipment that is most up-to-date in the field of television' is actually being tested", the report stated.

"Continuing, the press reports that conservative estimates place the number of Italians who regularly follow the program of E.I.A.R. at 5,000,000. This figure, it is claimed, will be greatly increased when during the coming year the 50 television transmitting stations are installed.

"The press is silent as to the use to which the 50 television transmitting stations will be put and no indication is given as to how the service offered by such stations is to be utilized. Unless the present Italian receiving sets can be so adapted as to bring the new services into the homes of owners of such sets, the proposed 50 transmission stations will operate for a very favored few.

"Inquiry at the leading dealers indicates that unless the unforeseen takes place, television, as the practical result of the present experiments, will not be available to the masses for another 18 months. Transmission will be on a 5 meter band, and it is reported that enthusiasts will have to make an outlay of between 2,500 and 3,000 lire for a set which will enable them to enjoy television. Dealers are neither enthusiastic nor optimistic."

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No. 1096

February 7, 1939.

HOUSE WITHHOLDS FCC FUNDS PENDING SHAKE-UP

The House Appropriations Committee this week reported the Independent Offices Supply Bill without any funds recommended for continuation of the Federal Communications Commission. The Committee explained that the money could be appropriated later after the reorganization of the FCC.

The House action came as a distinct blow to the plans of Chairman Frank R. McNinch, who had asked for a $700,000 increase and had been allowed $300,000 more than last year to pay for expansions in the Publicity Division and other units of the FCC.

At the same time Chairman Lea, of the House Interstate and Foreign Commerce Committee, which handles radio legislation, said that he doubted whether his Committee could give proper consideration to a measure abolishing the FCC in favor of a three-man agency before April.

Chairman McNinch and Senator Wheeler, Chairman of the Senate Committee on Interstate Commerce, were still conferring regarding the new legislation, but the bill has not yet been introduced in the Senate or made public.

Senator Wheeler, while still agreeing with Mr. McNinch that a three-man agency might be more efficient than the seven-man body, emphasized that this view was dependent upon the type of appointees put on the new Commission.

"Political quacks" must be kept off the Commission if it is to be successful, regardless of the number of members, Senator Wheeler said.

Meanwhile Senator White (R.), of Maine, who has been consulted regarding the new legislation, indicated he may sponsor a reorganization bill of his own if he is not satisifed with the measure offered by Senator Wheeler.

Published hearings on the FCC budget meanwhile provided good reading for members of the House and material for the first blast against Chairman McNinch and the reorganization plan on the House floor. The blast came from Representative Wigglesworth (R.), of Massachusetts, a member of the sub-committee which rejected the FCC appropriation estimate of $2,000,000.

Other attacks on the Commission were expected before the House passes upon the Independent Offices Supply Bill.

The general consensus of members who read the testimony and cross-examination of Chairman McNinch was that he had made a poor showing and that his explanation of the "purge" and the failure of the FCC to adopt any definite policies was unsatisfactory.

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WLW LOSES SUPER-POWER PERMIT; APPEAL EXPECTED

With surprising alacrity, the Federal Communications Commission this week adopted the recommendation of its three-man committee that the experimental super-power license of Station WLW, Cincinnati, not be extended.

Unless a court order intervenes meanwhile, Station WLW shortly will return to its 50 KW. power and "the Nation's Most Powerful Station" will conclude, temporarily at least, its super-power broadcasts that have been heard throughout the United States since the Spring of 1934.

The FCC will issue an order within a few days, explaining its decision and stipulating the time that the super-power broadcasts must cease.

The decision was unanimous. Commissioner George Henry Payne did not participate in the voting because of the controversial part he has played in the matter. Mr. Payne had fought to have this experimental license revoked. For that reason, although he was present at the meeting, Mr. Payne said he did not consider it the proper thing for him to vote. When asked what he thought might be the attitude of the Commission if an appeal were made by WLW, Mr. Payne said it was a question in his mind if it were an appealable matter. Mr. Payne declined to comment further saying, "After my having foufht for two and a half years to have the WLW experimental license revoked and then having been backed up by a unanimous vote of the Commission, I believe the public can draw its own conclusions."

While no announcement was made by WLW counsel immediately, it is expected that the Crosley Corporation nevertheless will carry its fight to retain the 500 KW. experimental license to the courts on the ground that it has a substantial monetary investment in the equipment.

The prompt action of the FCC in the WLW case apparently was prompted by the move for a reorganization of the Communications Commission. It was believed significant that Chairman Wheeler, of the Senate Interstate Commerce Committee, is an outspoken foe of super-power and introduced a resolution, which the Senate adopted last session, denouncing it. At that time, however, he explained in answer to a question on the Senate floor that the resolution did not refer to existing stations. The question, asked by Senator Bulkley, of Ohio, referred to WLW as the Cincinnati station was the only super-power station on the air.

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FCC CHAIRMAN SUFFERS FROM CASE OF BAD MEMORY

Members of the House and the press this week were commenting on the apparent poor memory of Chairman Frank R. McNinch as disclosed in the transcript of House hearings on the Federal Communications Commission's budget estimates.

There were three outstanding examples of the loss of memory although a number more of minor lapses.

No. 1 - When Representative Wigglesworth (R.), of Massachusetts, asked him about the accuracy of a story carried by the Washington Post on December 7th regarding a move under way by Thomas G. Corcoran, with Commissioner McNinch's approval, to abolish the FCC in favor of a three-man agency, the Chairman said:

"I do not know anything about the article from which you are reading, for I have not read it."

Members of the press recalled that he issued a mimeographed statement on December 8th denying the story.

No. 2 - Congressman Wigglesworth, in questioning Chairman McNinch about the "purge", asked him whether he had received any reply to his letter to the Civil Service Commission which requested examption of sixty odd FCC employees.

Chairman McNinch said he had received no reply. Later, however, he inserted a footnote in the transcript recalling a letter from Harry B. Mitchell, Chairman of the Civil Service Commission.

"This letter had entirely slipped my recollection when Congressman Wigglesworth asked the question at the hearing", he said.

No. 3 - Representative Wigglesworth also asked regarding the KSFO case in which the Commission had found that the lease agreement exceeded in its authority the bounds of Sections 301 and 310 of the Communications Act.

"If I recall the case, and I believe I do", said Mr. McNinch, "that is the only case that presented the situation prevalent in that case."

Pressed as to whether or not the Commission had not had similar cases, Chairman McNinch said:

"Well, I do not recall any other, but that does not really mean that there may not have been some others."

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MBS TAKES STAND IN FCC CHAIN-MONOPOLY PROBE

With the Federal Communications Commission's chain-monopoly investigation going into the fourth month without producing any sensational disclosures, the Mutual Broadcasting System this week replaced the Columbia Broadcasting System on the witness stand.

Among those present for the opening testimony today (Tuesday) were W. E Macfarlane, President; Alfred J. McCosker, Chairman of the Board; T C. Streibert, Vice-President; E. M. Antrim, Executive Secretary-Treasurer; Fred Weber, General Manager; Miles E. Lamphier, Auditor; Andrew L. Poole, Traffic Manager; and Adolph Opfinger, Program Service Manager.

CBS concluded its four weeks of testimony last week. Among the final witnesses were William B. Lodge, engineer in charge of the radio frequency division, and Frank Stanton, Director of Research.

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SENATE CONFIRMS CASE; BUT FOR HOW LONG?

The Senate on Monday confirmed the renomination of Norman S. Case, as a Republican member of the Federal Communications Commission for a seven-year term.

Since his name was sent to the Senate, however, the President has asked that the whole FCC be reorganized. As new appointees will be necessary on whatever new agency is approved by Congress, Commissioner Case's seven-year term may not last even seven months.

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RADIO COMMENTATOR APPEALS TO RULES COMMITTEES

Denied admission to the Congressional Press Galleries, Fulton Lewis, Jr., news commentator on the Mutual Broadcasting System, last week appealed to the Senate and House Rules Committees. The Standing Committee for the Press Galleries ruled that radio news commentators are not eligible for admission as the galleries are reserved exclusively for members of the press.

Mr. Lewis, in his petition, stated "in all fairness and sincerity, I do believe that those representatives or radio who, like the news correspondents and reporters, gather their own news and prepare it for delivery to the public, are entitled to the same facilities as those correspondents and reporters." Rejection of his application, Mr. Lewis argued, means that gallery privileges are "an exclusive charter to the printing business, to forever hold a monopoly on the dissemination of news which transpires in the Senate and House of Representatives."

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WIGGLESWORTH ASSAILS McNINCH IN HOUSE ADDRESS

Chairman Frank R. McNinch, of the Federal Communications Commission, was charged with trying to set up a centralized administration of the radio industry and to evade a Congressional investigation by Representative Wigglesworth (R.), of Massachusetts, on the House floor Monday.

Congressman Wigglesworth, who is author of a resolution calling for an investigation of the FCC by a seven-man House committee, renewed his plea for a thorough inquiry before any reorganization plan is approved.

"For years on the floor of this House and elsewhere I have joined with other Members of the House on both sides of the aisle in advocating a thorough-going investigation of radio broadcasting and its regulation under the Federal Communications Commission", he said. "I have done so because it has seemed to me that such an investigation was absolutely essential if we are to have proper regulation of this activity which has come to play such a tremendous part in our national life.

"No man, Mr. Chairman, can read the Federal Radio Act or the Federal Communications Act without realizing that Congress sought in those acts certain very definite objectives. Among these objectives was the elimination of monopoly or the evils of monopoly, the elimination of private ownership or the equivalent in radio frequency, and the elimination of undesirable trafficking in licenses. And yet, Mr. Chairman, during recent years there has been continually increasing evidence indicating that no one of these objectives or other objectives sought by the Congress have been realized. On the contrary, there has been increasing evidence indicating a virtual monopoly in this field by the three big broadcasting chains - Columbia, Mutual, and National.

"There has been mounting evidence also of practices growing up with the approval of the Commission such as that whereby radio stations and facilities are transferred from one party to another for an approved consideration far in excess of the replacement value of the assets transferred, a practice carrying with it all the possibilities for the capitalization of Government franchises to the detriment of the people as a whole, with which we have been familiar in other fields in the past.

"Mr. Chairman, the hearings before your committee show no decrease in these tendencies during the past fiscal year. On the contrary, they furnish further evidence of monopoly and further evidence of transfers of facilities for considerations in excess of their physical value. If you want an example of increasing monopoly I refer you to the transfer of WNAX, as a result of which during the last campaign an Iowa newspaper already controlling three frequencies was awarded a fourth frequency, with substantially blanket control over the State of Iowa. If you want further evidence of the transfer of facilities for apparently excessive consideration, you will find it on the table filed by the Communications Commission in connection with these hearings.

"The record also indicates, Mr Chairman, an absolute failure by the Communications Commission to formulate major policies, which, in my judgment, are fundamental to the proper regulation of radio broadcasting. We have no national communications policy today. Chairman McNinch has so testified. We have no standards of program service, despite the hundreds of complaints received in each and every year. No policy has been formulated as to the issue or transfer of radio licenses. No policy has been defined in respect to experimental licenses, in respect to the possible payment of license fees, in respect to many other important matters within the field of radio regulation. In fact, Mr. Chairman, I believe it is fair to state that regulation to date has proceeded in large measure in the absence of any well-defined policies under frequent charges of favoritism, politics, and worse.

"Incidentally, Mr. Chairman, I should like to call the attention of the members of this committee to that portion of the hearings which refers to the recent telephone investigation by the Communications Commission. I assume that every Member of this House desires proper regulation of all means of communication. I assume also that every Member of the House has anticipated a report within the terms of the resolution authorizing the investigation, giving accurate and comprehensive information with respect to the field investigation. I submit, however, Mr. Chairman, that the record before your committee raises very definitely the question whether it is not a practical impossibility for the Commission to comply with its mandate to furnish this Congress with information which may fairly be said to be 'comprehensive and accurate'.

"If you will note the testimony in the hearings you will observe that the methods employed in the investigation were such as to deny to those investigated the right to produce their own witnesses, the right to cross-examine Government witnesses, and, until recently, the right to consideration of, some 40 volumes of criticism and comment filed with respect to the testimony included in the record of the investigation. I am frank to state, Mr. Chairman, that in my judgment the testimony before your committee lends real foundation for the charges which have been made that the methods pursued in the investigation were both unworthy of a Federal commission and un-American."

Congressman Wigglesworth, after reviewing the McNinch "purge" of last Fall, and the procedure set up by the Chairman following the abolition of the Examining Division, called attention to the reports of increasing influence being exercised over the FCC by Thomas G. Corcoran.

"The steps taken by the FCC to which I have referred, look very much to me like steps along the course outlined in the newspaper articles to which I have referred, taken in conjunction with the proposed three-man set-up; they look to me very much like an attempt to wipe out the Commission as we have known it in the past and to substitute a more centralized administration", he continued. "They look further very much like an attempt to bring this quasi judicial agency under the domination of the executive branch of the Government, in line with the proposal embodied in the original reorganization bill a year ago which excited such condemnation from those primarily affected."

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WHAT-IS-A-MONOPOLY QUESTION BAFFLES COMMITTEE

The question of what constitutes a monopoly in the radio industry was asked but not answered during the House subcommittee hearings on the budget estimates for the Federal Communications Commission.

Representative Dirksen (R.), of Illinois, questioned Chairman McNinch about the FCC chain-monopoly investigation, after which the following colloquy occurred:

Mr. Dirksen. Now, in view of the fact that the authority to grant licenses is vested exclusively in the Federal Communications Commission, it certainly is a fair inference that if a monopoly exists it exists because of the action of the Federal Communications Commission?
Mr. McNinch. Well, sir, I would not say that was a completely fair inference to draw.
Mr. Dirksen, Well how else could it exist?
Mr. McNinch. Well, it could exist by undisclosed interlocking directorates and interests which we are rather anticipating we may discover.
Mr. Dirksen. Well, if you admit there are undisclosed evidences of one kind and another, or undisclosed facts, would not you be confessing at the same time that in the renewal of licenses you did not get all of the facts relative to affiliations, and so forth?
Mr. McNinch. I have no hesitancy in confessing at all, if that is the way you want to put it, that I do not believe the Commission has, heretofore, had all of the facts, and I am not certain we will get all of the facts now through this investigation; but we are trying to find out every ramification, holding company, subsidiary, affiliation, interlocking directorates, or what not; because through this means we will ascertain if there is control which does not appear in the papers directly when the report is submitted to the Commission.
Mr. Dirksen. But irrespective of their failure to disclose material evidence or information before the Commission monopoly is possible, or was possible, or does exist by virtue of the initial action of the Commission ?
Mr. McNinch. Congressman Dirksen, since I have never been able to clarify my own thought particularly about it, I would be very grateful for a definition of what a monopoly in radio is.
Mr. Dirksen. I do not want to encumber the hearing with that right now. We might get into a great metaphysical field of discussion.
Mr. McNinch. But you are asking me to encumber the hearing by answering that.
Mr. Dirksen. Not necessarily, but what I want to say now, and all this merely leads up to it, is that if a monopoly does exist and exist by virtue of the action of the Commission in the past, this monopoly investigation amounts, in substances, to an investigation of the Commission by itself?
Mr. McNinch. No, sir; I do not so interpret it.
Mr. Dirksen. How can it be otherwise interpreted?

Mr. McNinch. Because it is an investigation of what may have been done - I do not know whether it has been done - without authorization, without knowledge, or consent of the Commission.
Mr. Woodrum (The Chairman) - I hope we won t pursue the monopoly question any further.

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CALDWELL SEES CENSORSHIP IN FCC CONTROL

Charges that the licensing system as applied by the Federal Communications Commission goes counter to the intention of Congress by effecting censorship over the radio, were made last Saturday by Louis G. Caldwell, former General Counsel for the Federal Radio Commission.

He spoke at the concluding session of a two-day conference on administrative law held by the George Washington University Law School in the United States Chamber of Commerce hall. It was attended by nearly 500 lawyers and law students.

Mr. Caldwell called the numerous licensing systems "the greatest threat to liberty and due process yet to appear on the horizon of Anglo-Saxon jurisprudence."

He especially ridiculed the purpose he ascribed to the FCC to "protect the public from Mae West, the Martians, and the profanity of a Pulitzer prize play".

William J. Dempsey, present General Counsel for the FCC, whose address followed Mr. Caldwell's, promptly labeled the latter's reference to the prosecutor-judge relationship in the Commission's procedure, as "picturesque rather than accurate", and proceeded to demonstrate the statutory and practical necessity of some of the matters to which Mr. Caldwell had taken exception.

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MUTUAL'S JANUARY BILLINGS TOTAL $315,078

Total billings of the Mutual Broadcasting System for January were $315,078, it was announced this week. This represents an increase of 16.7 percent over January, 1938, when billings totalled $269,894.

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TRADE NOTES

Station WMCA, New York, was picketed again Sunday by 1,600 persons in protest against the station's refusal to broadcast the radio addresses of the Rev. Charles E. Coughlin. The demonstrators marched back and forth on Broadway from 51st to 52nd Sts., carrying placards which denounced radio "censorship", Loyalist Spain and employment of refugees.

WBRK, Pittsfield, Mass., will become the 110th affiliate of the Mutual Broadcasting System when it joins the network on March 1, 1939. On that date radio station WBRK also becomes affiliated with the regional Yankee and Colonial networks. The station operates on 250 watts power days, and 100 watts power nights on 1,310 kilocycles.

Gross billings by the Columbia Broadcasting System for time sold during January, 1939, totaled $2,674,057 - a gain of 5.7% over December, 1938, when the figure was $2,529,060. January sales a year ago were $2,879,945, representing the largest gross for that month ever scored by CBS.

Tightening of the net on criminals was disclosed this week by the International Association of Chiefs of Police through the inter-zone radio system, started a year ago and now linking sixty-seven Police Departments in twenty-two States. Relaying messages by code on a higher frequency than that of local police radio communication by voice, it does not interfere with the latter.

The Governor General of French West Africa has announced that construction work is to begin at once on a new high power radio station at Dakai. It will be the third big French station in Africa and will be a link in the chain designed to offset Arabic broadcasts made by other powers.

The use of phonographs, loud speakers, pianos, organs, etc., for advertising is prohibited, with certain exceptions in the case of commercial houses when the instruments are enclosed in noise-absorbing cabinets. Cafes, bars, restaurants, hotels, etc., may employ musical instruments and radios only between 11 A.M. and 1 P.M., and 6 to 11 P.M.; with exception made for radio receiving sets, limited to 60 decibels, during the transmission hours of Peruvian broadcasting stations.

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NETWORKS REPLY TO NAB ON DEAL WITH UNION

The reply of the National Broadcasting Company and the Columbia Broadcasting System to Neville Miller, President of the National Association of Broadcasters, who last week appealed for a stay in the negotiations of the American Association of Advertising Agencies and the American Federation of Radio Artists, was made public this week.

Signed by Edward Klauber, of CBS, and Niles Trammel, of NBC, the letter said:

"Answering your identic telegrams to our respective companies, we wish to advise you that the present negotiations grow out of a widely publicized situation which culminated in representation by AFRA that they were about to strike. This apparent rupture led advertisers and their agencies to renewed efforts to work out a commercial network scale with AFRA. This development also has been known to everyone in broadcasting. NBC and Columbia's part has been solely to advise with both sides in an effort to make contract as favorable to advertisers as possible and we are not directly involved except in respect to the few network commercial shows we broadcast ourselves. Any effort to delay matters now within a few hours of AFRA's deadline would inevitably precipitate chaos and we believe our affiliates would resent such action on our part besides which we would be guilty of bad faith towards our advertisers, their agencies and the union. The agreement reached by the parties involved before your telegram was received does not affect the affiliated stations."

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JANUARY BAD FOR ADS, INCLUDING RADIO

January was a disappointing month for advertising, particularly from the standpoint of national copy, according to compilations by the New York Times. Various reasons, such as the stock market slump, the foreign crisis and numerous charges about the adverse effect on business of the WPA slash, were given as chief reasons for the backward showing.

Even radio, which forged ahead last year against the tide, barely managed to register an increase of slightly more than 1 percent for the three major networks, the Times pointed out. Magazines were down about 17 percent, a somewhat better showing than they had been making. Complete newspaper figures are not available yet, but the drop, based on the New York City experience, probably ranged around 8 to 10 percent, as against a December decline of only 3 percent.

"The outlook for February is still uncertain", the article continued, "and even though the economic horizon appears to be clearing, national advertisers will not have time to put through enough additional copy to make any appreciable difference. Starting in March, however, the prospects appear to be brighter."

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CAUTION URGED IN FCC REORGANIZATION

The following editorial appeared recently in the Washington Evening Star:

"The development of radio broadcasting regulation has reached a critical stage, and the proposal to reduce the Federal Communications Commission from a seven to a three-man body should command the fullest attention of Congress.

"It is quite apparent that the present Commission of seven members has not been functioning satisfactorily, but there is also no assurance that it would function any better if there were but three members. In fact, there is a widely held belief that the conditions which should be remedied would become worse instead of better if the reduction in size of the Commission should be authorized. This feeling grows out of the suspicion that the real reason underlying the proposal is to 'liquidate' those minority members who have made no secret of their dissatisfaction with the manner in which the majority have been conducting the business of the Commission.

"The principal complaint of the radio broadcasters is that the Commission has not laid down adequate rules, or enunciated any policy, which could serve as a guide to them in their efforts to comply with the Federal Communications Act. It is contended the Act is broad enough to empower the Commission to make such rules, and it is understood the minority members have tried unsuccessfully to have some such action taken.

"It is obvious, of course, that dissension within the Commission, and the existence of a minority which believes the public should be kept informed of what goes on within the agency, is not conducive to orderly administration. The wisdom of arbitrarily eliminating such a minority may well be questioned, however, particularly when there is some evidence to indicate that its policies may be more in the public interest than those of the majority.

"The Commission, after all, is an agency of the Congress and the successful conduct of its affairs is the direct responsibility of Congress. The elimination of minority groups on regulatory bodies is always hazardous, and that is particularly true in the case of this Commission, which has the potential power to exercise an enormous influence on the people of the country.

"Instead of authorizing a reduction in the size of the Commission, Congress should consider whether it cannot improve conditions in the radio industry by depriving the regulatory agency of some of its discretionary powers, substituting therefor some definite legislative standards of conduct for the broadcasters to follow."

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"It is quite [illegible] that the [illegible] Tomlinson [illegible] [illegible] to [illegible] that it [illegible] [illegible] but these [illegible] [illegible] [illegible] [illegible] conditions which should be [illegible] [illegible] [illegible] of [illegible] [illegible] [illegible] [illegible]

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

FEB 13 1939

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DIRKSEN SEES NEED FOR CURBING PRESIDENT'S POWER

Warning of the danger of Administration control of the air waves under a reorganized Federal Communications Commission or new three-man agency, Representative Dirksen (R.), of Illinois, this week said in a House address that he may sponsor a bill to repeal the provision in the Communications Act (Section 606(c)) which gives the President authority to take over control of all radio stations in time of national emergency.

Congressman Dirksen, a member of the House sub-committee that withheld the FCC appropriation pending a study of the reorganization plans, also raised a question as to what is behind the present reform move.

"What is this reorganization, and what is wrong down there?" he said. "Well, I do not know. I am not going to speak from hearsay, and I am not going to do anybody down there an injustice; but the dismissal of experienced and trusted employees, the complete revamping of the examining procedure, the effort of Chairman McNinch to secure exception from the Civil Service rules of 40 attorneys in the Commission, the quick rush of the Chairman of the Commission to the air waves to defend this action when the news broke in the press, the feeble and unconvincing justification of this whole action, and the speedy effort to invoke an investigation of radio monopoly by the Commission itself when it heard that Congress was contemplating such action are enough to justify the conclusion that all is not right. I am a little alarmed about it for the simple reason if they do send a message and they do ask for a three-man commission by new legislation, instead of a seven-man Commission, I am wondering how far the administration is going to go to dominate that Commission; and if you ever dominate the airways and give anybody absolute control, you have got control of the United States of America - make no mistake about it.

"There is a provision in this Radio Act that I do not like. I suspect I voted for it in 1934, not knowing, perhaps, what I was voting for at the time, because the matter had not gone to the degree that it has now; but if you ever examine that act and look at section 606, here is what it says:

"'606. (c) Upon proclamation by the President that there exists war or a threat of war or a state of public peril or disaster or other national emergency, or in order to preserve the neutrality of the United States, the President may suspend or amend for such time as he sees fit the rules and regulations applicable to any or all stations within the jurisdiction of the United States.'

"I am alluding to that this afternoon because that bill probably will be on the floor one of these days if it is ever reported out of the committee. Then we will have a chance to

ventilate our views and determine whether or not we want a small Commission that can be dominated, that may probably invoke censorship, that may probably keep people off the airways, that can determine how far you can go without comment and political commentary, or whether we are to have an independent Commission, sufficient in size to guarantee and to assure to the people of this country that there is going to be no domination of the air channels. If I had it to do over again, I would never vote for that proposition, and I am not sure but what I shall drop a bill into the hopper one of these days to repeal in whole or in part section 606, paragraph (c), because I would not like to see a situation such as prevailed only last week in the National Capital be made the vehicle for dominating the airways and controlling the things that might be said to the people of the country.

"I do not know why Mr. McNinch was sent to the Radio Commission. I do not know why he abolished the examiners, but there is now in effect an examining procedure down there that in my humble judgment is not as good or as efficient or as sound as the procedure in vogue before that change was made. It may be that it is all part and parcel of an effort to streamline this Commission, because of its importance in purveying sentiment and truth to the people everywhere in the country.

"This offers a good opportunity to make an observation on this and other commissions. The trouble is not in the law; it is not necessarily a great basic weakness in the radio law as such, but rather in the personnel. When you go back you will find that most of our troubles heretofore have been because of those who sat on the board, who probably have not administered the act as it should have been administered. They removed Mr. Humphrey from the Federal Trade Commission back in 1935. I thought he was a good man, and he should have stayed there, because he gave quite an efficient administration. Then there was the trouble and difficulty in the Tennessee Valley Authority when Mr. Arthur Morgan was removed. Now we have a situation in that a former Member of the House is before the Senate for confirmation of appointment to the Interstate Commerce Commission, and we have this same personal problem on the part of the Federal Communications Commission. I am not advising the President as to what he ought to do, but I do say that a lot of these things and lot of friction could have been eliminated if perhaps just a little more care had been exercised in getting administrators and key men who will administer and carry out the law that the people's representatives have enacted, without fear or favor, and without making an attempt to control an important agency of government. Instead of abolishing the examining procedure of the Commission, the Chairman might have given some time to the formulation of a radio policy which we do not have today, and to other basic needs that are so essential to the industry and to the public. Back in Civil War days, someone remarked, 'Let me write the songs of a nation and I care not who makes the laws.' That might today be paraphrased by saying, "Give me the control of the Nation's air waves, and I care not who makes its laws.' This Congress must be on the alert when this matter comes on."

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FCC DECISION RAPS PRESS STATION, MONOPOLY

With Congress turning its attention to radio policies and action of the Federal Communications Commission, the decision of the FCC this week in denying the applications of Station WSBT, South Bend, Ind., and of the King-Trendle Broadcasting Corp., of Grand Rapids, Mich., is significant.

The South Bend Tribune, which owns WSBT, had sought authority to shift its frequency and to increase its power and operating hours from sharing with WGES, Chicago, to unlimited. King-Trendle sought authority to build a new radio station at Grand Rapids to operate on 1010 kc. with 250 watts power, daytime. The applicant already holds licenses for Stations WXYZ, Detroit, and WOOD and WASH, Grand Rapids.

In denying the King-Trendle applications, the Commission said:

"The station proposed would have network affiliations and would devote but a small part of its time to programs of a local character.

"The proposed station would be under the same management and control as the two existing stations in Grand Rapids. The applicant has failed to show a public need for a new station to broadcast programs of the type and character proposed.

"The granting of this application would undoubtedly result in the financial advantage of the applicant and would make available an additional advertising medium for merchants in Grant Rapids. While the question of financial support is one feature considered in the granting or denial of an application for a broadcasting station, it is important only in so far as it affects the ability of the applicant to render satisfactory broadcast service.

"The proposed station would be limited to its 4.3 millivolt per meter nighttime controu. It is not in accordance with good engineering practice to license a station to operate on a regional frequency where the limitation will be to the extent shown to exist in the instant case. In the absence of a compelling need, which has not been shown to exist in the instant case, the Commission will not grant an application for a regional station where its nighttime service area will be limited to its 4.3 millivolt per meter contour.

"The King-Trendle Broadcasting Corporation, owning the Michigan Radio Network, also provides broadcast service to many stations in the State of Michigan. Should this application be granted, the applicant would be the licensee of all of the radio facilities in Grand Rapids. This Commission, on numerous occasions, has declined to grand new or additional facilities to one holding a license to render broadcast service in the same city or community to be served by the proposed station."

Regarding its denial of the South Bend Tribune's request, the FCC said:

"Station WSBT, operating as proposed, would be subject to severe interference during the greater part of its nighttime hours of operation. During the greater part of the time this interference would approximate the 5.1 millivolt per meter contour . . . .

"Should the Commission grant this application, the South Bend Tribune would be the publisher of one of two daily papers of general circulation to South Bend, the owner of a full-time broadcast station, WSBT, and the licensee of a time-sharing broadcast station, WFAM. The Commission, in numerous decisions, has held that in the absence of a compelling need, which has not been shown to exist in the instant case, the Commission would not grant new or additional facilities to one now operating a radiobroadcast station in the area proposed to be served."

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WALKER SLAPPED AS FCC SETTLED OKLAHOMA CASE

With Commissioner Paul Walker, of Oklahoma, dissenting, the Federal Communications Commission this week settled the three-year old Oklahoma telephone case in favor of the Southwestern Bell Telephone Company, of St. Louis.

The case involved the claim of the Oklahoma-Arkansas Telephone Co., of Poteau, Okla., for relief under the Communications Act from certain practices of the Southwestern Bell Company. Two separate investigations were made by former FCC Examiners, and both were adverse to the Oklahoma company. The inquiry began while Mr. Walker was a member of the Telephone Division, since abolished.

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CHURCH IS FORGIVEN, CANADIAN HOOK-UP O.K.'D

Although it had unwittingly violated a provision of the Communications Act requiring FCC approval for transmission of programs to a foreign studio, the Commission this week granted the application of the First Baptist Church, of Pontiac, Mich., for permission to transmit its programs via telephone lines to Station CKLW, Windsor, Ontario, for rebroadcasting.

The Communications Commission pointed out that the church stopped the Canadian transmission upon being informed that it was in violation of the law and stated that the programs are meritorious and in the public interest.

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FCC HOLDS WLW DOESN'T NEED 500 KW. FOR EXPERIMENTS

Explaining its decision, announced earlier this week, in the WLW case, the Federal Communications Commission has issued a long statement of grounds for the ruling that the Cincinnati station should no longer be permitted to operate experimentally with 500 kw. power. The order, unless stayed by court injunction, will become effective March 1, the report revealed.

"To the extent that a power output of 500 kw. may be necessary to carry out the applicant's proposed program of experimentation, in so far as it contemplates further investigation into the technical aspects of transmitter equipment", the FCC stated, "the applicant has sufficient authority to experiment in this field under its experimental license for Station W8XO, and the extension of the special experimental authorization of Station WLW for this purpose is not justified.

"In so far as the proposed program of experimentation contemplates studies in the secondary service are of Station WLW requiring a power output of 500 kw., the experimentation can be carried on only during the nighttime, and the extension of the special experimental authorization of Station WKW, permitting unlimited hours of operation on 500 kw. for this purpose is not justified.

"In so far as the proposed program of experimentation includes studies of daytime service, a power output of 500 kw for Station WLW is not necessary, and therefore the extension of the special experimental authorization of Station WLW for this purpose is not justified."

"The question before the Commission on the instant application", the report states, "is not whether Station WLW should be permitted to operate on the frequency 700 kc. with power output of 500 kw., unlimited time, as a standard commercial broadcast station rendering a regular service to the public. The latter question is before the Commission in connection with its consideration of the application of the Crosley Corporation for amendment of its standard broadcast license to permit an increase in power to 500 kw. The sole question before the Commission on the instant application is whether an extension of the special experimental authorization to operate Station WLW on 700 kc. with power output of 500 kw., unlimited time, should be granted to permit the applicant to carry out its proposed program of experimentation.

"Under Section 303(g) of the Communications Act of 1934, the Commission is authorized to provide for experimental use of frequencies in the public interest. In passing upon applications for experimental authorizations a standard which has been consistently followed by the Commission has been to require that the proposed program of experimentation must offer promise of substantial contribution to the radio art. Before the Commission will grant any special experimental authorization, however, it is incumbent upon the applicant to show that the special authori-

zation requested is necessary in order to accomplish the proposed program of experimentation. Assuming, therefore, that the experimental objectives which the applicant intends to accomplish under the special authorization sought to be extended would contribute substantially to the development of broadcasting, the crucial question in the present proceeding is whether applicant has shown that the use of 700 kc. with power of 500 kw., unlimited time, is necessary for the accomplishment of these objectives.

"The specific proposals for further experimentation advanced by the Crosley Corporation are: first, further transmitter development; second, to make a complete and intensive field survey to determine what constitutes service and the limiting effect of the factors which govern such service; and, third, to construct and design an antenna which will have the effect of controlling sky wave as a factor of service rather than as an interference factor.

"The first of these objectives clearly would not require an output of 500 kw. power, unlimited time. To the extent that a power output of 500 kw. would be required at all to carry on further investigations of the technical aspects of the transmitting equipment necessary to generate a wave of 500 kw. power, the operation of Station W8XO under applicant's experimental license during the hours 12 midnight and 6 A.M. will suffice. There has been no showing made that the extension of the special experimental authorization is necessary in order to enable the applicant to carry out its first proposed line of experimentation.

"It is primarily for the purpose of carrying out the second and third lines of experimentation that applicant requests permission to operate Station WLW unlimited hours on the frequency of 700 kc. with a power output of 500 kw. Applicant's contention is that the extension of the special experimental authorization is necessary for this purpose. This contention, however, cannot be sustained."

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NEW STATION AUTHORIZED FOR LOUISVILLE

Over the objections of the two existing stations and a third station in the listening area, the Federal Communications Commission this week granted a permit for a new broadcasting station at Lousville, Ky., to the Kentucky Broadcasting Corporation headed by a local lawyer.

The station will operate on 1210 kc. with 100 watts at night and 250 watts daytime, unlimited time.

The grant was opposed by Stations WAVE and WHAS, of Louisville, and WGRC, of New Albany, Ind. Station WHAS is owned by the Louisville Times Company, which publishes two daily newspapers in Louisville and recently was unsuccessful in seeking a second radio station.

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WHEELER BILL GIVES CHAIRMAN AUTOCRATIC POWERS

A bill that not only abolishes the Federal Communications Commission and sets up a three-man board of control in its stead but gives the Chairman virtual dictatorial powers over the radio and communications industries was introduced in the Senate on Thursday by Senator Wheeler, Chairman of the Interstate Commerce Committee.

Far more drastic in its proposed centralization of authority than was expected, the measure is due for a severe overhauling in both the Senate and the House. The most fireworks, however, probably will come when the bill reaches the House.

Drafted under the direction of Chairman Frank R. McNinch of the FCC, and reputedly with the aid if not the dictation of Thomas G. Corcoran, the measure sets up a three-man bipartisan board to administer the Communications Act, three Assistant Administrators responsible to the Chairman, and boosts the salaries of key officers.

Major positions are exempt from the Civil Service laws and FCC employees are transferred to the new agency only on a temporary basis, subject to subsequent acceptance by the new Board.

Senator Wheeler, while hoping for early action by the Senate, said that public hearings will be held by the Committee and that later he will introduce a bill to define policies on newspaper ownership of radio stations, super-power, censorship of programs, and the like for the new Commission.

Members of the Federal Communications Commission who have disagreed with many of the Chairman's policies and the "purge" last Fall, it was learned, are planning to participate in the Senate and House hearings and to expose many FCC actions hitherto kept under cover.

Three members of the Communications Commission, however, are being spoken of in radio trade circles as possible appointees for the three-man Board. They are Mc. McNinch, as Chairman, and Commissioners Eugene O. Sykes and Thad Brown, who were members of the old Federal Radio Commission's Broadcast Division.

The Wheeler bill stipulates that the salaries of the three new Commissioners will be $10,000 a year and their terms two, four and six years at first and thereafter six years.

Without regard to Civil Service, the Board is empowered to appoint and to prescribe the duties and fix the salaries of three Administrative Assistants for broadcasting, communications carriers, and international radio and communications.

Other officers provided are similar to those functioning under the FCC at present, but the salary scale has been raised.

The Director of Information, who was paid only $4,600 prior to the "purge" of Franklin G. Wisner, and who now receives $7,200, will get $8,000 under the new set-up. He will be entitled to two assistants at $6,000 each, whereas he now has one at $3,000.

Each Commissioner is authorized to appoint an assistant at $5,000 and a secretary at $3,000.

The three Administrative Assistants, whose salary is fixed at $9,000, while appointed by the Board will come under the administrative supervision of the Chairman.

Appointments below the key positions in the administration, legal and engineering divisions are to be made subject to the Civil Service Act and the Classification Act.

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PRINCIPAL PROVISIONS OF McNINCH-WHEELER BILL

Following are the principal provisions of the McNinch-Wheeler bill to abolish the Federal Communications Commission and to set up a new three-man Administrative Board:

"Sec. 2. There is hereby created an agency to be known as the Federal Communications and Radio Commission which shall be administered by a Board composed of three members. All jurisdiction, powers, duties, and functions of the Federal Communications Commission under the Communications Act of 1934, as amended, are hereby imposed upon and vested in the Commission. The provisions of the Communications Act, 1934, as herein amended, shall, until further action by the Congress, continue in full force and effect, and shall apply to the Commission and to members of the Board to the same extent as said Act is now applicable to the Federal Communications Commission and to members thereof. The Commission shall have an official seal which shall be judicially noticed.

"Sec. 3. The members of the Board shall be appointed by the President, by and with the advice and consent of the Senate, one of whom the President shall designate as Chairman, who shall be the principal executive officer of the Commission. The members of the Board first appointed shall continue in office for terms of two, four and six years respectively from December 31 next following the date of their appointment, the term of each to be designated by the President, but their successors shall be appointed for terms of six years; except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. The members of the Board shall receive a salary at the rate of $10,000 per annum. Two members of the Board shall constitute a quorum.

"Not more than two members of the Board shall be of the same political party. The Board shall have power to perform any and all acts, to prescribe, issue, make, amend, and rescind such orders, rules and regulations and to hold such hearings as it may find necessary or appropriate to carry out the provisions of this Act. The Board is hereby authorized by its order to assign or refer any portion of its work, business or functions to an individual member of the Board or to an employee or employees of the Commission, to be designated by such order, for action thereon, and by its order, at any time to amend, modify, supplement, or rescind any such assignment or reference: Provided, however, That this authority shall not apply to the making of final decisions in contested proceedings involving the taking of testimony at public hearings.

"Sec. 4. Without regard to the Civil Service laws or the Classification Act of 1923, as amended, (1) the Board may appoint and prescribe the duties and fix the salaries of an administrative assistant for broadcasting, an administrative assistant for communications carriers, an administrative assistant for international radio and communications, a secretary of the Commission, a Chief Engineer and not more than three assistants, a chief accountant and not more than three assistants, a General Counsel and not more than three assistants, a Director of Research and Information and not more than two assistants, and, subject to the Classification Act of 1923, as amended, such attorneys as are necessary in the execution of the functions of the Commission; (a) each Commissioner may appoint and prescribe the duties of an assistant at an annual salary not to exceed $5,000, and a secretary at an annual salary not to exceed $3,000. The three Administrative Assistants, the General Counsel, the Chief Engineer and the Chief Accountant shall each receive an annual salary not to exceed $9,000; the Secretary of the Commission shall receive an annual salary not to exceed $7,500, and the Director of Research and Information shall receive an annual salary of not to exceed $8,000. The assistants to the Chief Engineer, Chief Accountant and General Counsel shall each receive an annual salary not in excess of $7,500 and the assistants to the Director of Research and Information shall not receive an annual salary in excess of $6,000 each. Subject to the Civil Service laws and the Classification Act of 1923, as amended, the Board may appoint such other officers, engineers, accountants, inspectors and other employees as are necessary in the execution of the functions of the Commission

"Sec. 5. The Administrative Assistant for Broadcasting, under the administrative supervision of the Chairman, shall be responsible for the efficient and expeditious handling and presentation to the Board of all matters relating to or connected with broadcasting (except international broadcasting).

"Sec. 6. The Administrative Assistant for Communications Carriers, under the administrative supervision of the Chairman, shall be responsible for the efficient and expeditious handling and presentation to the Board of all matters relating to or connected with record communications by wire, radio or cable and all forms and classes of fixed and mobile radio telegraph service (other than international record communications) and all matters relating to or connected with telephone communications (other than broadcasting) by wire, radio or cable including all forms of fixed

and mobile radio, telephone service (other than international telephone communications).

"Sec. 7. The Administrative Assistant for International Radio and Communications, under the administrative supervision of the Chairman, shall be responsible for the efficient and expeditious handling and presentation to the Board of all matters relating to or connected with international radio and international communications.

"Sec. 8. (a) All officers and employees of the Federal Communications Commission (except the members thereof, whose offices are hereby abolished) are hereby transferred to the Commission, without change in classification or compensation for a period of sixty (60) days or for such longer period, not to exceed four months, in a temporary status as may be deemed necessary by the Board, subject to appropriate adjustment of classification or compensation to conform to the duties to which they may be assigned. All such officers and employees shall be eligible and shall have a preference for appointment in a permanent status to any position for which, in the opinion of the Board, they are qualified.

"(b) There are hereby transferred to the jurisdiction and control of the Commission all records and property (including office furniture and equipment, and including monitoring radio stations) under the jurisdiction of the Federal Communications Commission.

"(c) All appropriations and unexpended balances of appropriations available for expenditure by the Federal Communications Commission shall be available for expenditure by the Commission for any and all authorized objects of expenditure in the discretion of the Board, without regard to the requirement of apportionment under the Anti-deficiency Act of February 27, 1906. To the extent that it may be practicable to do so, the Board shall allocate a portion of its available funds for expenditure exclusively in the performance of functions relating to broadcasting and communications carriers, respectively, and shall make its expenditures in the performance of such functions in accordance with such allocations: Provided, That, if the Board at any time determines that any such allocation is in excess of the amount necessary for the performance of the functions for which such allocation was made, such excess may be used in the discretion of the Board for the performance of some other function."

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PLACEMENT OF RESPONSIBILITY KEY OF PLAN, SAYS WHEELER

Contending that large Commissions are "a mistake", Senator Wheeler (D.), of Montana, came to the defense of his bill establishing a three-man board with a statement that it would enable Congress to fix responsibility for failures in administration in the future.

"The bill I am introducing to create a new Federal Communications and Radio Commission, replacing the present Federal Communications Commission, is intended to correce looseness and uncertainty to functioning and diffused responsibility", he said.

"The staff organization would be compact, and closely integrated internally and in its relation to the Board. Provision is made for division of functions as between broadcasting, telephone and telegraph and international radio and communications, with provisions to assure that none of these functions shall be slighted.

"My observation over a long period of years convinces me that big commissions are a mistake. Personal responsibility is lost. Often we know that matters are badly handled, but we can't tell where or how the mishandling starts, or where to put the blame. Commonly, too, a big board lacks cohesion and morale. It is very likely to be an aggregation of individualists, each working too much in his own way and to his own ends, with too little common purpose of serving the public interest.

"In the Communications Commission such conditions have been aggravated because the Commission for years has been plagued by politics - not simple party politics alone but the politics of big business too. The best way to eliminate politics is to center responsibility, carefully defined and appropriately limited, in a small group, where it cannot be dodged or divided. That way I think we can get results.

"In this new set-up responsibility would be centered squarely upon the members of the small Board and the staff functioning under its direction.

"The bill transfers to the new agency all jurisdiction, powers, duties and functions of the Federal Communications Commission under the Communications Act of 1934, as amended. Insofar as this bill is concerned, all of the substantive provisions of the Communications Act of 1934 are continued in effect and made applicable to the new agency. Any changes in substantive provisions involving such questions as the methods of regulation, ownership, of broadcasting stations by newspapers, the character of radio programs, censorship, high power and superpower stations, and other policies, will be proposed in a separate bill I shall introduce later. The only changes now proposed in the existing law are changes in the administrative machinery of the agency.

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Station WNEW, New York, this week was granted permission by the Federal Communications Commission to increase its daytime power on 1250 kc. from 2.5 kw. to 5 kw. It shares time with Station WHBI, Newark, N. J.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

RECEIVED FEB - 5 1939

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No. 1098

February 14, 1939

McNINCH, ON DEFENSIVE, CRITICIZES COLLEAGUES

Obviously on the defensive, Chairman Frank R. McNinch, of the Federal Communications Commission, last Friday night blamed the minority bloc of the FCC for his failure to effect a thorough house-cleaning, denied implications that he was seeking to become a dictator of radio, and explained the Wheeler bill to establish a three-man Federal Communications and Radio Commission.

The Chairman's address was made before North Carolina Society of Baltimore and broadcast over the Mutual Broadcasting System.

Part of the speech was devoted to answering statements made in Stanley High's article "Not-So-Free Air" in the current Saturday Evening Post.

Excerpts from the address follow:

"Sixteen months ago the President appointed me Chairman of the Federal Communications Commission, which is charged with the duty of regulation, with the simple instructions to work out, so far as practicable within the framework of the Communications Act, plans for the most effective regulation of these industries. Since then there has been substantial improvement in the Commission's procedure and, if there had been a spirit of cooperation on the part of all members of the Commission, yet further advances doubtless would have been made.

"It is notorious that for several years before I became Chairman of the Commission it was handicapped by dissension and division, carried beyond reasonable differences of opinion to a point that precluded effective regulation. This condition has persisted and, while I am glad to testify publicly to the cooperation of most of the Commissioners with each other, I would be less than candid did I not say that these efforts on their part have been discounted or even cancelled at times by the hostile tactics of other members.

"No house that is divided against itself can stand; no family that engages publicly in criticisms and detraction of its own members can win or hold the respect of its neighbors. Out of all this has grown, and naturally, a deep dissatisfaction on the part of the President, which I know is shared by many members of the Congress and I believe by the people at large. The interests entrusted to this Commission are of too great importance to the people to be jeopardized through the lack of a coherent and - from the standpoint of the Nation as well as the industries affected - constructive program of regulation of these industries.

"While an absence of such clashing personalities and ideas within a Commission of even seven members would have given greater assurance of harmonious and constructive action, I am convinced that the very number of Commissioners is a fundamental disability. It creates at the outset the opportunity for, and the incitement to, individual struggle for power and collective strife. The bigger the Commission the less effective, and the less efficient , it is apt to be. The ultimate result is likely to be a breakdown of regulation, playing into the hands of the industries to be regulated and leaving the public interest unprotected. The more personalities you inject into such an equation, the greater is the likelihood of their working at cross purposes, of seeking personal prestige and advantage, at the expense of the job they have been set to do.

"Holding firmly to the conviction that a three-man Commission is in all respects preferable to a Commission with larger membership, I am one hundred percent in favor of the Bill introduced by Senator Burton K. Wheeler,of Montana, to abolish the present Federal Communications Commission and set up in its stead the Federal Communications and Radio Commission, bi-partisan and having three members appointed by the President with the advice and consent of the Senate. I helped to devise this Bill, in consultation with Senator Wheeler, putting into it the fruits of his many years of close observation of and my long experience in Commission work.

"There will be no divided responsibility as between the three members of the Board, and no difference in authority except that the Chairman, besides being the presiding officer, will be the principal executive officer. Good practice requires that, and the statutes under which most Commissions function provide for it. The Communications Act did not provide specifically for a principal executive officer, and that is one of the lesser reasons why the Communications Act has been imperfectly administered. What is everybody's business may, in practice, be nobody's business and inaction result. . . .

"I read with interest, but with greater amazement, an article in the Saturday Evening Post entitled 'Not-So-Free Air' by Stanley High. I say with amazement because of certain glaring and inexcusable misstatements and false statements it contains. It has been known in Washington for weeks past that Mr. High was inquiring into radio and Commission matters with a view to an article. I understand that he contacted a number of people outside the Commission, and that he talked with at least one member of the Commission, Commissioner Payne. It is significant that Mr. High writes little about Commissioner Payne, but writes expansively about the White House, about the Administration in general, and about me.

"And although I was in my office and available while Mr. High was gathering his material, he never once talked with me or asked for an opportunity to talk with me.

"That may account, in part, for his going so far wrong.

"Mr. High states that I discussed news broadcasts with Washington managers of the broadcasting companies, and left no doubt about my official opinion that something should be done about 'keeping them impartial'. He goes on to say that I mentioned Mr. Boake Carter and General Hugh Johnson 'as the worst examples' of what I meant.

"This statement is but a half truth, if indeed it is that. If Mr. High had wanted the whole truth he could have gotten it from either Mr. Harry Butcher, Vice-President of the Columbia Broadcasting System, with whom I had discussed this subject, or from me. From either of us he would have learned that in the course of our discussion I positively did not cite Mr. Carter and General Johnson 'as the worst examples', and that I did not refer to any commentator in any such approbrious terms.

"On the contrary, I stated that it was my personal opinion that if a broadcasting station permitted anyone to discuss cosial, economic, or other controversial questions - whether on free time or on time paid for by a sponsor - the station owed it to the listening public to give fair opportunity to those holding contrary views to discuss the same subject. I spoke of what I regarded as the importance of the listening public getting a rounded, whole discussion of any controversial subject which was discussed at all on the air - exactly what I said in a recent public speech. As an illustration, I mentioned the names of six or eight commentators, among them Mr. Carter and General Johnson, who expressed their various views over the air, and said that the industry's problem, as I saw it, was not to put anyone off the air but to provide opportunity for speakers who held contrary views on controversial subjects

"I understand that Mr. Carter is of the opinion that I sought to 'eliminate' commentators of his type in the future. He is wholly mistaken. I have not sought to 'eliminate' anybody.

"Again, Mr. High asserts in effect that Thomas Corcoran got the job of General Counsel of this Commission for 'one of his own men', William J. Dempsey. This statement is utterly unfounded. Mr. Dempsey was Assistant General Counsel of the Federal Power Commission at the time I moved from there to the Federal Communications Commission. I consulted my associates at the Power Commission and they agreed to release Mr. Dempsey so that he could come with me as Special Counsel. It was not Mr. Corcoran who proposed Mr. Dempsey for the post of General Counsel thirteen months later. I did so because of his ability and his familiarity with the Communications Commission's work, including radio, with which Mr. High asserts Mr. Dempsey was 'entirely unfamiliar'.

"Mr. High's statement that Mr. Corcoran 'suggested to the Chairman that the Law Department of the Commission should be taken out of the Civil Service entirely', is likewise false. Like others, it is part of a labored attempt to create an illusion of

a sinister influence at work upon the Roosevelt Administration and the Commission. I did not mention the matter to Mr. Corcoran, nor he to me. I took and now take full responsibility for recommending this action to the Commission. Mr. High states further that 'Without presenting the matter to the Commission', I made the request to the Civil Service Commission to exempt the attorneys. This is not true, and the Commission's records show it is not true. The letter to the Civil Service Commission was prepared at my direction and sent to the office of every member of the Commission except Commissioner Case, who was ill."

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RMA-NAB PROMOTION STARTS THIS MONTH

The national all-radio promotion project of the Radio Manufacturers' Association and the National Association of Broadcasters will be inaugurated this month. The joint RMA-NAB campaign, exclusively by and for radio interests, contemplates immediate organization of local "Radio Councils" in each State where NAB broadcasting stations are located and will include broadcasters, distributors and dealers, utility representatives, servicemen, and public spirited citizens. A program will be prepared for the guidance of local radio organizations, with data and material for use by the local Councils.

Also planned are broadcast programs for both networks and local stations, with scripts and transcriptions supplied to non-network stations so that all classes of stations may participate in the national campaign.

Another part of the all-radio project is the preparation of a simplified booklet detailing information on installation and use of receivers and regarding programs and the American system of broadcasting. Inclusion of this pamphlet with each receiving set sold and distribution otherwise is planned.

The four main objectives of the RMA-NAB campaign are (1) to increase the amount of daily listening; (2) to increase the quality of home reception; (3) to sell the excellence, variety and extent of the American program schedule, and (4) to sell the American system of broadcasting and contributions made thereto by each broadcast station.

In the promotion of school radio, the RMA will cooperate with the Committee on Scientific Aids to Learning of the National Research Council of New York. This is headed by Dr. Irvin Stewart, former FCC Commissioner. Information is being collected regarding the quality and types of receiving sets best adapted for various school rooms and auditoriums. The RMA Engineering Department will prepare school receiver specifications for the National Research Council Committee. These RMA specifications will be distributed to all school superintendents and educators.

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BROADCAST ENGINEERS MEET AT OHIO UNIVERSITY

U. S broadcast engineers are taking a look into the future at a meeting at Columbus, O., February 6-17 for their second annual conference held under the sponsorship of Ohio State University's Department of Electrical Engineering. Sessions devoted to television and facsimile are included in the program.

First week of the conference was devoted largely to topics centering around the transmitter, and the second week will go into studio and television problems. One of the highlights will be the panel discussion on "Standards of Good Engineering Practice", led by Andrew D. Ring, Assistant Chief Engineer for the Federal Communications Commission. Another "head-liner" is the lecture-demonstration on "Waves, Words, and Wires" to be given by Dr. J. O. Perrine, American Telephone and Telegraph Co., New York City.

Others on the "faculty", with their subjects, include:

Stuart L. Bailey, Consulting Radio Engineer, "Standards of Good Engineering Practice", Washington, D. C.; Howard A. Chinn, Columbia Broadcasting System, "Functional Design and Measurement of Broadcasting Studio Facilities"; Dudley E. Foster, RCA License Laboratory, "Receiver Characteristics Having Special Broadcast System Significance"; Robert M. Morris, National Broadcasting Company, "The Development of the Proposed Standard Volume Indicator"; John F. Morrison, Bell Telephone Laboratories, "Practical Aspects of Radiating Systems and Transmission Lines"; Arthur Van Dyck, RCA License Laboratory, "The Receiver as Part of the Broadcast System"; all from New York City.

Loren F. Jones, RCA Manufacturing Company, "Television on Transmission"; Charles J. Young, RCA Manufacturing Company, "Facsimile"; Vladimir K. Zworykin, Electronic Research Laboratory, RCA Manufacturing Company, "Electron Optics", all from Camden, N.J.

John H. DeWitt, Jr., Radio Station WSM, "Standards of Good Engineering Practice", Nashville, Tenn.; Professor Everitt, Ohio State, "Electromagnetic Waves"; Profes. E. M. Boone, Ohio State, "High Power Rectifiers"; Donald B. Sinclair, General Radio Company, "Measurements on Broadcast Antennas", Cambridge, Mass.; Edwin E. Spitzer, RCA Manufacturing Company, "Transmitting Tubes", Harrison, N. J.

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Applications for six mobile press broadcast frequencies have been received by the Federal Communications Commission. Associated Press has asked for two assignments and four are sought by the Telegram Publishing Co., and Salt Lake Tribune Publishing Co., covering the Telegram, evening, and Tribune, morning, at Salt Lake City, Utah. No frequencies have been assigned as yet.

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WHITE OPPOSES WHEELER BILL; MAY OFFER OWN PLAN

Senator White (R.), of Maine, ranking minority member of the Senate Interstate Commerce Committee, disclosed this week that he is unalterably opposed to the McNinch-Wheeler bill for establishing a three-man Federal Communications and Radio Commission.

At the same time he said he is considering introducing a measure of his own. He declined to divulge the nature of the plan he has in mind, but it was reported in industry circles that it would propose an eleven-man Commission with five of the Commissioners assigned to broadcasting.

Senator White, who is the outstanding authority in the Senate on radio regulation, said he may issue a statement explaining his views later this week.

Meanwhile, the clerk of the Interstate Commerce Committee said that it is unlikely that hearings will be called on the Wheeler Bill before March. He said that Senator Wheeler, himself, probably will head a sub-committee to conduct the hearings.

The Executive Committee of the National Association of Broadcasters met in Washington over the week-end and discussed the McNinch-Wheeler Bill at length but took no positive action, it was said, until they could also examine the White plan. While making no official statement, it was reported that some members of the Committee felt that the policies for the new Commission should be defined before a personnel reorganization is effected.

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FOREST SERVICE'S RADIOS RING LIKE TELEPHONE

The days when the Forest Service might be termed a peaceful occupation are ended. Technicians in the Service's laboratory at Portland, Ore., have found a method to make radio receivers ring like a telephone and arouse slumbering "look out" men.

The bell-ringing system, announced recently, permits emergency radio calls to be put through as estily as telephone calls. The device, it was also said, eliminates noise from loudspeakers when operators are "standing by".

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MBS STILL ON STAND; REGIONALS START FEB. 21

With officials of the Mutual Broadcasting System still on the witness stand this week in the chain-monopoly investigation of the Federal Communications Commission, the Commission announced that the regional networks will be heard, beginning next Tuesday.

MBS, whose officials last week described its operations, was discussing its policies this week with Alfred J. McCosker, President of MBS, due to take the stand.

Because MBS has no program staff, Engineering Department, or Artists Bureau, such as NBC and CBS, its examination has been comparatively brief.

E. M. Antrim, Director and Secretary-Treasurer of MBS, described the establishment and operations of the network last week. He said the cooperative network has grown from four stations in 1934 to 110 in 1939.

Stations WGN, Chicago, and WOR, New York, invested $5,000 to start the network, he said, and now stand ready to underwrite any losses incurred.

Regional networks which have been requested by the FCC to submit evidence, and the order in which they will be heard, follow:

Don Lee Broadcasting System; Yankee Network (Colonial Network); King Trendle Broadcasting Corporation(Michigan Network), Virginia Broadcasting System, California Radio System, Wisconsin Radio Network, Pacific Broadcasting Company, Texas State Network, North Central Broadcasting System, Arrowhead Network, Empire State Network, Inter-City Broadcasting System, Oklahoma Network, Pennsylvania Network, Quaker Network and Texas Quality Network.

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McNINCH TO TAKE TWO WEEKS' VACATION

Chairman Frank R. McNinch is preparing to take a two weeks' vacation, it was learned this week, prior to the starting of Senate hearings on the Wheeler reorganization bill.

It was not known whether his decision to take a vacation at this time has any connection with his recent illness, but it was pointed out that he has been very active since the President recommended that the Federal Communications be reorganized and the Communications Act be revised.

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JEWETT CLARIFIES TESTIMONY ON TUBE

Testimony of Dr. F. B Jewett, Vice-President of the American Telephone and Telegraph Company, before the Monopoly Investigating Committee on January 18th regarding the lack of general adoption by the radio tube manufacturing industry of a long-life tube developed by Bell Laboratories for telephone use was clarified in a letter to Chairman O'Mahoney, dated Jan. 24, and made public last week.

Dr. Jewett corrected a statement that the number of patents owned by the Bell system was 15,000 as of 1934. This number, he wrote, was the number the system was free to use, but it owned only 9,500 at that time.

The 50,000-hour vacuum tube which the Bell system has employed for a number of years in telephone circuits is available for manufacture under the A. T. & T. cross-licensing arrangements with electrical and radio manufacturers, he wrote, and these agreements do not prevent Western Electric, the A. T. & T. manufacturing subsidiary, from making radio tubes on the principles of the long-life tube.

In this connection, Dr. Jewett wrote as follows:

"I should like to point out that the problem of designing vacuum tubes for use in telephone repeaters differs in important fundamental respects from the problem of designing tubes for radio receiving sets. My regret, of course, is that I did not take time while testifying to make this perfectly clear, particularly as a very few words would have been sufficient to establish the fact. Although the radio tubes of the present day may be of considerably shorter life than our telephone repeater tubes, it does not follow that the radio tubes would be better suited to their work if they partook more of the character of telephone tubes. In the first place, the average radio set is itself a thing of relatively short life, perhaps four to six years, so that little or nothing would be gained by using in this set tubes whose normal life is eight to ten times the life of their associated equipment. Particularly would this be true if the longer life tube represented any material increase in tube cost. In the present state of our knowledge, such longer life would definitely entail a greater cost.

"In the case of the telephone repeater the more expensive type of tube is amply justified, but for reasons which do not operate in the case of radio receiving sets. In the first place, the telephone repeater forms part of a relatively expensive circuit connecting distant points. Because of this and within wide limits, the first cost of the telephone tubes is a very small quantity compared to the cost of the circuit of which they are a part. The cost of tube operation, however, is a most important consideration in the design of the telephone tube. Repeater tubes must operate uniformly and reliably twenty-four hours a day every

day in the year and they have to be fed from storage batteries, a form of electrical energy costing several times as much per unit as lighting current. Hence, low current consumption in the telephone tube is essential; and it happens that we have been able to make long tube life a concomitant of low energy consumption.

"These exacting operating and service considerations do not obtain, apparently, in the design and manufacture of receiving set tubes. In the latter case the manufacturer is concerned with tubes of high quality, low initial cost and life characteristics compatible with the life of the sets they serve. I believe that these requirements have been well met by the industry.

"In conclusion, let me point out again that to the extent that the long-life telephone tube is covered by patents, these are available to radio manufacturers through license. The engineering problem of the radio designer, however, has diverged from that of the telephone designer, with the result that each has developed a tube construction best suited to his industry."

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NEW RADIO-TELEPHONE DEMONSTRATED

A recently developed emergency radio-telephone unit, capable of bridging a gap of as much as 50 miles in broken telephone lines, was demonstrated Monday night at a meeting of the Institute of Radio Engineers in the Chamber of Commerce auditorium.

The new unit, an improvement over equipment used in Florida hirricanes of 1933 and 1935, has a combined receiving-transmitting unit, portable antenna, and generator.

Speakers at the meeting were D. O. Hunter, of the National Broadcasting Company, on "U.F.H. Transmitters for Relay Broadcast Purposes", and F. M. Ryan, of the American Telephone & Telegraph Company, on "Radio Equipment for Telephone Communications in Emergencies".

Among the Committee Chairmen participating in the meeting was J. H. Payne, Chief of the Electrical Division, U. S. Bureau of Foreign and Domestic Commerce.

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The preliminary report of the Columbia Broadcasting System, Inc., for 1938 shows net income of $3,541,700 compared with $4,297,600 in 1937. Directors have declared dividends of 25 cents on the company's Class A and B stocks.

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McNINCH STATES VIEWS ON BAR PROPOSALS

Chairman Frank R. McNinch of the Federal Communications Commission this week sent the following letter to Judge Frank Roberson, President of the Federal Communications Bar Association:

"Dear Judge Roberson:

"This will reply to your letter of January 23, 1939, in which you ask on behalf of the Executive Committee and the Committee on Ethics and Grievances of the Federal Communications Bar Association, whether the Commission is in sympathy with, or generally approves the Canons of Ethics of the Bar Association as published in the May, 1937, issue of the Federal Communications Bar Journal.

"The Commission desires to promote and encourage the practice of law before it under the standards observed by ethical lawyers throughout the profession; and our rules now specifically impose on attorneys the duty of conforming to recognized standards of professional conduct.

"In this connection the Commission views with general approval the Canons adopted by your Association. At the same time it will be appreciated that the subject is so much one of conscience as to make inappropriate the adoption or approval of rigid rules having the force of law. It may be noticed that most courts have declined to lay down fixed standards, other than through the precedents to be derived from their decisions. Accordingly, the Commission must reserve to itself as cases may arise the determination as to the principles of ethics which shall be applied. Judicial precedents, and our own, are guides in such determination; and the precepts your Association has established also are entitled to recognition and weight.

"The Commission is in sympathy with your objectives in agreeing among your membership upon an ethical code, and commends the Association and its Committee in their effort to assist in insuring that the practice before us shall be conducted with all propriety."

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A new bibliography of radio publications and references was issued this week by the Electrical Division, U. S. Bureau of Foreign and Domestic Commerce, and is available at ten cents a copy.

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TRADE NOTES

The American Telephone and Telegraph Company has filed revisions to its tariffs FCC No. 137 and No. 143 to become effective March 1, 1939. The revisions introduce for the first time rates and regulations for 75-speed Private Line Teletypewriter commercial and press services which the company proposes to offer on an experimental basis for one year beginning March 1, 1939. The minimum period of service for 75-speed operation is three months.

The 90-day employment of Marion L. Ramsay, Director of Information for the Federal Communications Commission has been extended for another 30 days.

"Electrical Week", a national news magazine on appliance distribution, edited by O. H. Caldwell, former Federal Radio Commissioner, made its appearance last week. Its headquarters is 480 Lexington Avenue, New York City.

Hygrade Sylvania Corporation reports for 1938 a net profit of $438,691, equal, after dividends on $6.50 preferred stock, to $1.48 each on 204,684 shares of common stock outstanding. Net profit in 1937 was $868,064, or $3.58 a share on 204,684 common shares. Sales were $7,957,065 last year, against $9,417,034 in 1937. Balance sheet as of Dec. 31, 1938, shows current assets, including $1,784,297 cash and United States Government obligations, amounted to $5,416,021, and current liabilities were $896,132. Inventories were $1,646,842, against $2,449,960.

A new member of the Radio Manufacturers' Association is the Farnsworth Radio and Television Corporation, whose application for membership in the Association has been approved by the RMA Board of Directors. Membership of RMA now includes virtually all of the leading companies interested in the development of television, and non-member companies, as well as all broadcasting interests, have participated in RMA engineering work in connection with television. The Association also is considering a special engineering service to determine signal strength and market areas of future television broadcasting service, together with other information on the future merchandising, installation, service, etc. of television receivers, in anticipation of the future problems of RMA receiver manufacturers.

Lincoln's birthday, Sunday, February 12th, inaugurated a new NBC series of "good will" shortwave programs, recorded in Spanish and Portuguese by the National Broadcasting Company for broadcast to South and Central America, over stations W3XAL, W3XL, W2XAD, and W8XK. The series of records is the result of a five-week radio survey by NBC of the peoples, regions, industries, economic exchange possibilities, educational facilities, cities, amusements and history of the United States.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1099

WHITE ASSAILS WHEELER BILL AND McNINCH

Foreshadowing a bitter fight over the McNinch-Wheeler Bill to abolish the Federal Communications Commission and to set up a centralized three-man agency, Senator White (R.), of Maine, on Thursday issued a bristling statement attacking the measure and its author, Chairman Frank R. McNinch.

Senator White, outstanding authority on radio legislation on Capitol Hill, charged that Mr. McNinch was seeking to effect a "legislative purge" of his dissenting colleagues. While not mentioning them by name, it was understood he referred to Commissioners T.A.M. Craven and George Henry Payne.

No legislation is necessary, Senator White said, to make effective the framework and administrative machinery of the Commission, but he added that he will sponsor in the near future alternative proposals to the Wheeler Bill.

Coincident with the issuance of the White blast, Chairman Lea, of the House Interstate and Foreign Commerce Committee, introduced a companion bill to the Senate measure in the House. He indicated, however, he would let the Senate act first.

Senator White, who has frequently represented this country at international conferences on radio, is ranking minority member of the Senate Interstate Commerce Committee and consequently is expected to be a member of the sub-committee which will hold hearings early in March on the Wheeler Bill.

The McNinch-Wheeler Bill, Senator White stated, "when its implications are understood, will meet the general condemnation it deserves".

Asserting that it does not "reflect the considered judgment of any person informed as to our communications problems", Senator White charged: "The Bill is crude in draft, wrong in principle, political in purpose and carries in its terms and implications a sinister threat to all our communication facilities and to the country itself."

Senator White chided Mr. McNinch with a quotation from the Chairman's statement in October, 1937, when he abolished the three divisions of the FCC. At that time Chairman McNinch stated that "the aggregate wisdom and judgment of seven minds is surely greater than any two or three of the seven".

"I appeal from Mr. McNinch of 1939 to Mr. McNinch of 1937", Senator White added.

Citing the history of radio legislation in Congress, Senator White said the Wheeler bill "challenges every previous declaration of the Congress on this subject and it repudiates the heretofore expressed opinions of Mr. McNinch himself."

Blame for the present ills of the FCC administration were placed squarely on Mr. McNinch's shoulders by Senator White.

"It should be noted", he said, "first that the present legal framework and administrative machinery of the Commission with which the President expresses dissatisfaction is in no small part the handiwork of Chairman McNinch and, next, that in the twenty months or thereabouts since Mr. McNinch was confirmed as Chairman there have come from the Commission no recommendations as to policies on the substantive side. On the contrary, efforts to undertake a congressional study of principles and of policies by the Congress have been blocked by Commission and executive hostility.

"No change in law is necessary to authorize the creation of three Divisions or the designation of three Administrative Assistants. The Communications Act of 1934 specifically authorizes the establishment of divisions, the fixing of their functions and the appointment of a Director for each. It does not however place the divisions or the Directors thereof 'under the administrative supervision of the Chairman' as does this McNinch proposal and this is its offense in the view of those sponsoring the pending Bill.

"When Mr. McNinch became Chairman, he promptly proposed an order abolishing the three Divisions existing under the authority of the 1934 Act. His theory, as then expressed by him, was that seven members could not be divided in this way; and that experience had shown that these Divisions were really only composed of two Commissioners because of (and I quote Mr. McNinch) 'the impracticability of the Chairman keeping himself currently informed and attending the meetings has resulted in two members of the Commission carrying an unnecessary load of responsibility and exercising an undesirably large portion of the powers and functions of the Commission' and because 'the aggregate wisdom and judgment of seven minds is surely greater than any two or three of the seven.' Mr. McNinch, having abolished Divisions but a short while back, now proposes to recreate them but as reestablished each Division is to be in charge of an Administrative Assistant to act 'under the Administrative supervision of the Chairman'.

"Manifestly if this assistant is an employee, the decisions of the Chairman will be his decisions. And what may this assistant pass upon? Anything and everything which the Board may assign or refer to have save only 'the making of final decisions in contested proceedings involving the taking of testimony at public hearings.' In the Broadcasting Division included in his power would be the making of rules and regulations, the classification of radio stations, prescribing the nature of the service to be rendered by each class, the allocation of frequencies

to stations, the regulation of the kind of apparatus, special regulations for network broadcasting, the granting of construction permits, licenses, renewals, modifications, assignments and many other authorities. These warn as to the powers which might be conferred on this Chairman dominated assistant in the other Divisions.

"Who wants one man to have such powers subject to the doubtful remedy of review by the Commission of three of whom one would be the Chairman from whose decision the appeal is filed?

"The plain truth of the matter is that the aggregate wisdom and judgment of seven men is not now wanted. Mr. McNinch in the name of cooperation demands the yielding to his direction of the experience, knowledge, judgment and conscience of the other Commissioners. And it is because some Commissioners will not thus unconditionally surrender, that they are to be legislated out of office. A legislative purge of Commissioners of independence and courage is now demanded.

"Stripped of all pretense, this Bill, in disregard of all previous congressional purpose and drafted without present congressional study, proposes, through his statutory administrative control of the Division assistants and through his influence as Chairman, to vest in one man authority over the vast communication interests of this country and, in particular, a life and death power over broadcasting, one of the two means of reaching the mind and influencing the thought of America. The Bill makes contribution only to the political efficiency of the Commission. It does this through the centralized power hereinbefore referred to and through the provision transferring all officers and employees of the present Commission, other than the members thereof whose offices are abolished, from their present protected Civil Service status to a temporary status. It serves no good end whatsoever."

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CASE CHAIRMAN DURING McNINCH'S ABSENCE

Chairman Frank R. McNinch has designated Commissioner Norman S. Case as Acting Chairman of the Federal Communications Commission during his absence on a short vacation in Atlantic City. Mr. McNinch plans to return next Monday, February 20th.

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N. C. STATION DEAL MAY FIGURE IN SENATE PROBE

The sale of a North Carolina broadcasting station may arise in the forthcoming Senate hearing on the Wheeler Bill to embarrass Chairman Frank R. McNinch, of the Federal Communications Commission, according to an unidentified member of the Senate Interstate Commerce Committing.

Quoting the anonymous Senator, the Times-Herald this week said that Chairman McNinch will be questioned regarding the deal, which it summarized as follows:

"An outstanding example of the sort of practice into which the Committee will look, he said, is that concerning Station WPTF, of Cary, in McNinch's home State of North Carolina.

"WPTF was originally licensed to the Durham (N.C.) Life Insurance Company, which, in 1933, voluntarily assigned the license to a wholly owned subsidiary, the WPTF Radio Company, which, in turn, applied for an improved broadcasting period.

"Station KPO, of San Francisco, licensed to the National Broadcasting Company, objected, and because KPO had a dominant, or "clear channel', WPTF was denied improvement until its owners had granted the National Broadcasting Company an option to buy control of WPTF Radio Company. The option was granted and all was amicable, until suddenly, in October, 1938, the option was exercised and a check for $210,000 drawn on the Wachovia Bank and Trust Company was left in escrow until the FCC could approve the transfer of title.

"By this time, McNinch had become Chairman of the FCC and was holding a majority of the members with him on voted issues. On January 27, 1939, application was made to the FCC for permission to transfer the controlling stock in WPTF from the Durham Life Insurance Company to the National Broadcasting Company. The life insurance company has attempted to persuade NBC to forego exercise of its option, but has been refused.

"Meanwhile, a group of North Carolinians, including political allies of McNinch and a member of the family of Josephus Daniels, the U. S. Ambassador to Mexico, organized a third corporation. To this new group, officials of NBC said, the assignment of the WPTF broadcasting license ultimately will go, if the FCC permits.

"'Two things I want to get from Mr. McNinch', said the Senate Interstate Commerce Committee member. 'First, whether he considers this sort of transaction living up to the letter and spirit of the Communications Act of 1934, in view of the expressed wish of Congress that no such trafficking in licenses be allowed. I understand there are a number of instances in which control of stations has been switched by the sale of transmitter equipment alone, without FCC consideration. I think this is wrong.

"'The second thing I want to know is just wherein the rest of the Commission has failed Mr. McNinch.'"

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TELEVISION AT LEAST FIVE YEARS OFF, SAYS LOHR

Commercial television is still at least five years away, according to Maj. Lenox Lohr, President of the National Broadcasting Company, who added this week that it would be logical to raise this figure to 50 years by basing the estimate on the experience of the British Broadcasting Corporation.

The statement is carried in the February 13th issue of Advertising Age.

"The latter induced the public to buy television receivers at the rate of 2,000 a year during the first two years the sets were offered", the article states. "If it be assumed that Americans would buy at a ten times greater rate, that would mean only 20,000 sets per year. If sponsored television depends upon the sale of 1,000,000 receiving sets, it might take 50 years for television to become an advertising medium.

"Major Lohr placed the figure at five years despite these figures because he expects abnormally rapid development in this country. He emphasized, however, that excessive production costs will hold back television several years.

"With respect to the cost of televising broadcasts, the NBC president revealed that the network is planning to approach the American Federation of Musicians, the American Federation of Radio Artists, and similar organizations with a separate and lower scale than that now prevailing for regular radio broadcasting.

"Major Lohr branded as false the rumor that either NBC or Radio Corporation of America might set up a separate television corporation. Such a move would be far too expensive at the present time, he said. NBC will continue to handle television, but steps are being taken to make possible a shift to a separate television unit when and if the need arises."

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NAB CONVENTION TRANSFERRED TO EAST, NEAR D. C.

The National Association of Broadcasters will hold its annual convention on the East Coast, instead of in San Francisco, it was disclosed this week following a meeting of the Executive Committee. Washington or Atlantic City probably will be chosen, and the meeting date will be in June.

The change in the convention meeting place was made, it was said, for the double reason that broadcasters felt that they should be close to Washington so long as Congress is in session and because of inadequate hotel facilities at San Francisco due to the opening of the World's Fair.

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RADIO TASTES ON FARM LIKE THOSE IN CITY

Just as the automobile and movies have eliminated most of the hayseed from farm life, the radio has brought about a similarity in tastes for entertainment, according to a survey by the Columbia Broadcasting System.

The study of CBS rural listeners, just published under the title of "Columbia's RFD Audience", was made by the Hooper-Holmes Bureau, the same investigators who made the report on rural audiences for the Joint Committee on Radio Research.

The radio listener in a farm or small town home is very little if at all different from his city cousin, with just about the same listening habits, program preferences and susceptibility to radio advertising, the CBS report concludes.

To find the program preferences of the rural listeners, the investigators submitted a list of typical programs and personalities, "studiously avoiding the inclusion of any program or star which might be said to have a strictly rural appeal" and even including a few "which might be said to have 'exclusive' urban appeal". They found that 80.9% of all families interviewed reported listening to Major Bowes, 71.8% to Eddie Cantor, 57.8% to Kate Smith, 55.5% to Hollywood Hotel, 54.6% to Lux Radio Theatre, 45.3% to Professor Quiz, 35.3% to Big Sister and 26.7% to the New York Philharmonic Orchestra.

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SUB-COMMITTEE STUDIES RADIO NEWS PLEA

A Senate Rules Sub-committee this week was studying a proposal by Fulton Lewis, Jr., Mutual Broadcasting System news commentator, for a change in Senate rules to permit use of the press gallery by radio newsmen.

The Sub-Committee consists of Senator Gillette (D.), of Iowa, Chairman, and Senator Barbour (R.), of New Jersey.

Mr. Lewis, a member of the Senate Press Gallery until he left newspaper work to enter radio, had applied to the Standing Committee of Correspondents for admission to the gallery, but was rejected on the ground the 54-year-old Senate rule limits gallery membership to representatives of daily newspapers. He then appealed to the Rules Committee.

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FCC SENDS OUT NEW FINANCIAL FORMS

The Federal Communications Commission announced this week the distribution of forms to licensees of standard broadcast stations for use in reporting their financial qualifications. This report is required under the new rules of practice and procedure for the Commission, and the current forms cover the year 1938. Due date for return of this report has been extended until March 15.

The new forms are considered an improvement over those required for the financial study conducted by the Commission in 1937, the FCC stated, and differ from those forms principally in that they provide for a general balance sheet of the licensee, showing the investment both in broadcast and non-broadcast property, the amount of liabilities, including debt, and the net worth. This has not been required of licensees in all cases heretofore, but under certain circumstances has applied in a number of cases.

"It will not be necessary now for the licensees to file any other financial forms during the year in connection with their licenses", the FCC added. "If any assignment or transfer is sought, the applicant will then file an additional set of forms for the interim period to supplement those to be filed now."

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1938 RADIO EXPORTS 28% BELOW 1937

Total exports of American radio in 1938 were $23,100,060, a decrease of $9,257,357 or 28.6 percent from the all-time high record of 1937, although exports sharply improved during the last half of the year. Radio Exports last December, according to the latest report of the U. S. Bureau of Foreign and Domestic Commerce, were the largest for any month in 1938, topping the substantial increase in exports of American radio which began last August.

The 1938 record of American radio exports showed a decline of 30.8 percent in the number and 35.5 percent in the dollar volume of receiving sets shipped abroad. The 1938 decrease on tube shipments was 24.8 percent in units and 26.8 percent in dollar volume. The percentage decrease in component parts and accessories combined was 24.5 percent from 1937, while speaker exports last year decreased 15.8 percent in units and 23.4 percent in value. There was a decrease of only 3.8 percent in 1938 exports of transmitting apparatus.

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NAB TRANSCRIPTION LIBRARY IS SOLD

Langlois & Wentworth, New York transcription and program firm, has agreed to take over the public domain transcription library of the National Association of Broadcasters and build 300 hours of tax-free music for radio, Neville Miller, NAB President, disclosed this week.

A contract was signed after E. V. Brinckerhoff, of New York, had withdrawn his company's offer, originally accepted by the NAB Board last December over the competitive proposal of Lang-Worth.

Mr. Brinckerhoff had agreed to a $25,000 cash offer to NAB for the 20 hours of public domain already recorded, plus a percentage of receipts from additional sales to reimburse the NAB for its $60,000 investment since 1935. Later he withdrew his bid, presumably after concluding that he could not fulfill the monetary requirements.

Lang-Worth, already in the tax-free music field, using RCA recordings, does not make any cash guarantee, but will pay to NAB a portion of the receipts. NAB stands to realize possibly one-half of its $60,000 investment, and may recapture its entire investment.

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CBS MAY BUY WORLD BROADCASTING SYSTEM

Contracts have been signed under which the Columbia Broadcasting System may acquire the World Broadcasting System, prominent electrical transcription company, it was announced this week by William S. Paley, President of CBS. After a period of examination, and contingent upon the working out of certain corollary agreements, it is contemplated Columbia will acquire control from Percy L. Deutsch, President of World Broadcasting System, who will continue with the transcription company in the same capacity. No changes in the World organization are being considered.

"When and if the acquisition is completed", Mr. Paley said, "Columbia will have extended still further its service to radio advertisers, and at the same time will be able through the American Record Corporation, purchased in December, to offer records in the home field recorded on the highest quality equipment. The World Broadcasting System's studios and the equipment installed by Electrical Research Products, Incorporated, are acknowledged to be outstanding for recording purposes."

Mr. Paley said that although the World Broadcasting System and the American Record Corporation would use the same studios and equipment, the two companies would be operated as separate subsidiaries of CBS. No further statements will be made until the final arrangements have been completed.

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RADIO SEEN AS AID TO BLIND BY REP. STEFAN

A prediction that radio will soon supplant the wax records made available to blind persons by the Library of Congress and other libraries was made this week by Representative Stefan (R.), of Nebraska.

Questioning a witness on the Legislative Supply Bill regarding an estimate for additional records, Representative Stefan said:

"I predict some day that you are going to eliminate these wax-record systems.

"Because there is not a radio station in the United States today that would not cooperate with the United States Government in a project of this kind. There are many radio stations today who have furnished blind people and invalids with small radio receiving sets.

"The radio stations in the country have been cooperative in their relations with the Government, in sending out educational or recreational programs. In doing that for the blind and for invalids, shut-ins their services could be used to great advantage, eliminating the tremendous cost which this is going to entail, as you go along, if you are going to continue this particular program. Although I am not opposing it, I think eventually it will be a waste of a lot of money.

"I should like to say to you gentlemen that I have had a great deal of experience in radio. Years ago, before the national chains went on the air with the broadcast of baseball games directly from the parks, we put on programs, picking up the story of the game from the Morse telegraph sounder, with the result that listeners demanded something which would enable the invalids and the blind and the shut-ins to take advantage of those broadcasts. Voluntarily and by public subscriptions in one locality, 135 shut-ins received little radio sets which are in use today. The radio-broadcasting stations have cooperated in giving this free service at practically no cost to anyone except so far as the public subscriptions are concerned."

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AWARDS ANNOUNCED IN RADIO ADVERTISING

John U. Reber, Vice-President of J. Walter Thompson Co., was awarded the medal award for contribution to knowledge and technique of radio advertising in New York Thursday during the presentation of Annual Advertising Awards for 1938.

Batten, Barton, Durstine & Osborne, Inc., was given a similar award for outstanding skill in program production in connection with "The March of Minnesota" program, while another

medal for excellence in commercial announcements went to Marschalk & Pratt, Inc., in connection with the advertising of the Esso Marketers.

The Columbia Broadcasting System announced subsequently that "The March of Minnesota", which was carried over its network, would be repeated Saturday night from 6:15 to 7 P.M. over the WABC-CBS network.

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AUTO ALARM APPROVAL EXTENDED UNTIL 1940

Extension of tentative approval of auto alarms to March 31, 1940, was announced by the Federal Communications Commission last week. In extending approval of this type of emergency alarm, the Commission reported that on January 1, 1939, there were 1,134 United States vessels equipped with the auto alarm which the Commission in 1937 ordered placed on all cargo vessels over 1600 gross tons, navigating the ocean.

Prior to recommendation concerning final approval or rejection, the Engineering Department of the Commission plans a series of eight studies of a technical nature such as "an investigation of the effect of excessive heat caused by the impossible improper physical placement of units of the auto alarm installation upon its efficient and reliable operation". The Commission also wants "a further study of auto alarms with respect to their ability to respond to an alarm signal while being subjected to interfering signals and/or atmospherics of considerable magnitude in relation to the desired alarm signal".

The value of the auto alarm signal was most recently proven in the rescue work following the sinking of the British seaplane "Cavalier". At this time, the radio operator of the S.S. ESSO BAYTOWN, who was not on watch and was busy elsewhere on the ship, was called to the radio room by the sound of the auto alarm. the ESSO BAYTOWN subsequently rescued the ten survivors.

Pending final approval by the Commission, more than half of the United States shipowners are renting their auto alarms from the two manufacturers making this type of emergency signal device.

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TRADE NOTES

Seven demonstrations of the varied techniques used by Columbia network's Department of Education and Talks in preparing and presenting its educational programs are to be given at the annual convention of the American Association of School Administrators in Cleveland from Saturday, February 25, to Thursday, March 2. All seven will be in the form of broadcasts. Six will originate before the delegates.

The Federal Communications Commission this week repealed Paragraphs 18(c), 19(j), and 21 of the Ship Radiotelegraph Safety Rules and adopted a substitute to become effective April 13, 1939.

Station KSCJ, Sioux City, Iowa, will join the National Broadcasting Company networks on September 24, 1939. This brings the total number of NBC affiliates to 169, the last two to join being WBCM, Bay City, Mich., on January 1, and KVOA Tucson, Ariz., on February 5. KSCJ operates on a frequency of 1330 kc. with a power of 5000 watts day and 1000 watts night.

Donald S. Shaw has been appointed Vice-President in Charge of Sales and General Manager of Station WMCA, effective February 20th. Mr. Shaw formerly was assistant to the President of McCann-Erickson, Inc., and for four years previously was Sales Manager of NBC.

R.C.A. Communications, Inc., reports for December and twelve months to December 31:

	1938	1937
December gross	$450,620.00	$457,894.00
*Net income	75,882.00	87,036.00
12 months' gross	4,071,128.00	5,225,144.00
*Net income	443,764.00	1,060,749.00

*After charges and taxes

Max Gordon, noted producer of Broadway hits, will advise and assist the National Broadcasting Company in the production of television programs, Lenox R. Lohr, President of NBC, announced this week. Though he will continue his work in the theater, Mr. Gordon agreed to assist in the development of television because he feels that television offers the entire field of the theater vast possibilities. Mr. Gordon will work closely with John Royal, NBC Vice-President in Charge of all Programs, television as well as radio.

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No. 1100

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February 21, 1939.

CROSLEY APPEALS TO COURT AS FCC STANDS FIRM ON WLW

The Crosley Corporation today (Tuesday) filed in the United States Circuit Court of Appeals for the District of Columbia, a notice of appeal from the decision and order of the Communications Commission denying the application of The Crosley Corporation to continue full time operation of Station WLW with a power of 500 k.c.

The FCC on Monday denied the petition for rehearing filed by The Crosley Corporation which requested the Commission to reconsider its action in denying the petitioner's application for an extension of its special experimental authorization.

The Commission affirmed its decision and order of February 6, 1939, the effective date of the order being 3 A.M., E.S.T., March 1, 1939, and denied the petitioner's request for a stay of this effective date beyond that time.

The Crosley appeal recites the history of the operation of this station since March 2, 1922, and its operation with 500 k.c. since April 17, 1934. It refers to the construction permit for the 500 k.w. which was obtained on June 7, 1932, and the fact that after the installation of the new transmitter, with the exception of a short period of time in 1935, the station has operated continuously with 500 k.w.

The Court is asked to reverse the order of the Commission on the ground that it was the duty of the Commission to make findings of fact and conclusions of law upon the points which the Commission itself had suggested as the issues which the appellant would be required to meet to justify a continuance of this license.

At the time of submitting its appeal, Powel Crosley, Jr., President of The Crosley Corporation, who up to this time has had nothing whatever to say about this controversy, made the following statement:

"We regret that we have felt it to be necessary to ask the Court to pass upon this order of the Commission but we feel that our duty to ourselves and to the listening public dictates the need for this step in our effort to provide for the radio users of America the finest service which money can buy and modern scientific invention can achieve. This obligation of ours we feel to be particularly and peculiarly an obligation owing to the rural listeners and to the owners of sets who by reason of the set itself or the remoteness from a broadcasting station are unable to

secure the radio service which an expensive set located close to a broadcasting station is able to get.

"We have helped pioneer so-called high power from the time when we went to fifty watts, to 500 watts, to 5,000 watts, to 50,000 watts, to 500,000 watts. At several points along this road, someone has raised the question of so-called high power or super power. In every case actual experimentation has proved that the use of this increased power has hurt no one and has been a vast benefit to millions of our citizens. We believe that is true in this present situation.

"Of course the use of the phrase 'super-power' is in itself ridiculous when the real power is made known. The power output is only 680 horse power. It is not as some would have us believe, a huge power trust, but it involves less than the power used in one motor of the twin motor of a transport airplane. It is less than the power produced in eight Ford, Chevrolet or Plymouth engines, running wide open. The so-called 'super-power' is a myth.

"We believe that the 500 k.w. which we have been using for four years is of no harm to anyone, and that this was clearly demonstrated in the extended hearings conducted by the Commission and that 500 k.w .was clearly demonstrated by these same hearings, to be of vast benefit to millions of American citizens. In 1932 we felt that it would be practical to use higher power than the 50 k.w. then in fashion and we proposed to risk very large sums of money to vindicate that feeling. Of course this could not be done unless we felt that if we proved that the use of this power was of benefit to the public and of no substantial injury to anyone, we would be permitted to continue its use when that demonstration had been conclusively made as had been the case where after a four year demonstration of the use of 50 k.w., its regular use was permitted. As a preliminary step to this experiment, we applied for a construction permit and the Radio Commission as it was then known, granted this permission and permitted us to go to the expenditure of very large sums of money required not merely to build but to experiment with a type of transmitter construction which up to that time was absolutely unknown.

"Further, we have consistently and heavily invested throughout the years in maintaining programs of the highest possible standard, as we always have felt to be our responsibility. Based on this permit, we began this experiment and in 1934, having demonstrated its practicability between the hours of midnight and morning, we were permitted to use it without limit throughout the day and night, and have been using it continuously for almost five years.

"Naturally, when we undertook the risks involved in this experiment, not only on equipment but throughout the years in the maintenance of the equipment, we felt that if the experiment proved to be successful and there was not reason from a standpoint of public interest, convenience and necessity why this power should not be used, we would be permitted to continue its use and the program of experimentation in which we are still engaged.

"It is my firm conviction that the people of the United States should no more be deprived of the benefits of the experimentation in transmitter development than that they should be ordered to abandon their use of automobiles and ride in horses and buggies from this time on or that radio set manufacturers should be ordered to put a limit to the number of tubes which they can place in a radio set and thus diminish its usefulness in the home of the listener.

"We see no reason why the benefits of man's invention should be withheld from the radio listener while they are permitted to him in other fields and we are convinced that only temporarily can the progress of science and invention be halted. We stand ready and will in the future at all times stand ready, to cooperate with the Commission as we have in the past, in the advancement of the radio broadcasting art in every way possible."

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ARIZONA STATION PUT OFF THE AIR BY FCC

The Federal Communications Commission on Monday revoked the license of Station KUMA, Yuma, Arizona.

The Commission's order states among other reasons that it appears that Albert H. Schermann, holder of a license issued by the Commission, in his application for renewal of station license KUMA, made false statements under oath to the effect that he was in actual control and operation of said station, when in truth and in fact one E. B. Sturdivant was, and at all times since February 1, 1934, had been in actual control and operation thereof.

The Commission's order becomes effective April 1, 1939.

The licenses of four radio operators were also suspended for violations of the Communications Act.

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CROSLEY ASKS TELEVISION PERMIT FOR CINCINNATI

The Crosley Corporation has applied to the Federal Communications Commission for a permit to construct a television station in Cincinnati. The application, one of the first to come from the Mid-West since the decision of radio manufacturers to place radio receivers on sale this Spring, requests 50000-56000 kc. and 1 kw. power. The transmitter would be located on the 48th floor of the Carew Tower, Vine and Fifth Streets.

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McCOSKER TELLS FCC MUTUAL SERVES PUBLIC

The final witness for the Mutual Broadcasting System, Alfred J. McCosker, of New York, Chairman of the Board, at the monopoly investigation of the Federal Communications Commission, dwelt upon the public service of his organization. Mr. McCosker, who is also President of the Bamberger Broadcasting Service, licensee of Station WOR, Newark, New Jersey, said that the public interest is served, he believed, more especially in the Mutual form of operation in that there is put at their disposal a reservoir of programs geographically diversified and inherently representing the various communities and portions of the country in which these programs originate.

"The public to my mind is further benefitted by the fact that Mutual network operation providing, as it does, a larger return to the station owner, enabling him to spend more money in sustaining program production", Mr. McCosker declared. "I believe that these are the two outstanding phases of Mutual that have direct and important reflection in the public interest. It has extended rapidly from the original two-member stations to more than 100 - I think 110 stations approximately - since 1934."

Mr. McCosker testified to the fact that R. H. Macy & Co., in New York owns about 499,989 shares of stock of the Bamberger Company. Incidentally, through cross-examination, Mr. McCosker was revealed as quite a veteran in the broadcasting industry. He said that he had been with WOR since 1929, about nine months after the station started. Mr. McCosker began with this station as its press representative. Prior to that he had been engaged in the newspaper business both in the editorial and advertising departments and was also in the theatrical field as press representative and company manager.

"People in discussing radio, particularly those outside of the industry, speak of it in general", Mr. McCosker continued. "If they have objection to a particular article in a publication they usually say: 'I don't agree with the article in Publication "A"'; but if they have an objection to a program on the air, they will say: 'I don't like the radio', or 'I object to the radio'; they don't particularize. Now I do not want to appear unduly appreciative of the Mutual network programs, but they actually do, in my experience over the 16 years, prompt me to say, unequivocally, that they do offer something different and something very high class in, even present day radio production, and are so recognized by those stations accepting."

When the question of research came up, Mr. McCosker said:

"Every program is research in the sense that you are finding out as to what acceptance it will have on the part of the public, and it is the most practical kind of research. I have been associated for years with the organizations in America that are looked upon as outstanding theatrical producers, the Shuberts, the Erlanger Company, and it is remarkable after all of the

research they have had of 100 years of the theatre, that King's Warehouse gets a large percentage of the shows that their expert opinion prompted them to put on. In other words, you cannot tell. It is a matter of theatrical history that the best informed of the dramatic critics were 100% against 'Abie's Irish Rose' as to its possibility of success, and the fact remains that it played in New York for five years. So that is why I say, without any other reason behind it, that the putting on of a program is the best research possible."

Asked if anything like the Bureau of Standards would be possible in radio, Mr. McCosker replied: "I don't believe so. The only standard that might be applied is the standard of good taste."

In response to a question as to whether advertising agencies are particularly trained or skilled or equipped to produce programs for entertainment of the public, Mr McCosker said: "They are becoming more so all the time by this very trial and error method that I speak of."

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OHIO STATE TO EXHIBIT EDUCATIONAL RECORDINGS

The third American exhibition of recordings of educational radio programs will be held at Ohio State University, Columbus, O., May 1-3, as a part of the tenth Institute for Education by Radio.

Entries close March 15, according to I. Keith Tyler, Institute Secretary, who is a member of the staff in Ohio State's Bureau of Educational Research. Programs are classified into two groups, the first for networks, national organizations, and clear-channel stations, the second for local and regional stations and organizations.

The competition is open to programs for general use and for school use. In the former classification come: 1. lecture, talk, speech; 2. demonstration or participation program; 3. dialog, round-table conversation, interview, debate, question and answer; and 4. all forms of dramatization. The school-use programs fall in three groups: 1. primary children; 2. elementary children; 3. junior and senior high school.

"First awards" and "honorable mentions" will be given in the seven classes of the two major groups, as listed.

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NEW RADIO TUBE AID TO SAFER FLYING

A new ultra short-wave radio tube employing the principle of velocity modulation has been announced by W. C. Hahn and G. F. Metcalf, engineers of the General Electric Company.

Application of the new tube to airplane altimeters would enable pilots to judge distances in blind landings up to the last split-second of contact with the ground. The same instrument equipped with the new tube could be pointed in front of a plane flying in heavy weather to warn of mountains or other obstacles in its path to a distance of several miles.

The tube generates an ultra short-wave which may be directed like the beam of a searchlight. This beam makes it possible to measure distances by reflection. Directed at the ground, or any other obstacle, the beam would bounce back to the plane. The altimeter would immediately record and translate into a measure of distance the time required for reflection of the beam.

Highly accurate measurements are possible with the new tube which generates a wave but 14 centimeters long (about five and one half inches). It is expected that the principla involved should permit generation of waves down to one centimeter or less. The shortest wave received on a home receiving set is five meters, or 35 times longer than those produced by the new tube.

By means of previously available tubes waves less than a centimeter in length have been produced in various research laboratories, and General Electric engineers have in the past made practical use of waves of about five centimeters. The new velocity modulated tube, however, represents a distinct advance in that it is more flexible and has a more efficient power output than anything heretofore known.

While fully developed and tested in the laboratory, the new tube will not be available for commercial distribution for some time.

Beams produced by the new tube would have a wide application in navigation as well as flying. Ships could steer a safe course through heavy fog by using the beam to measure the distance to land or to other vessels.

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Anticipating the beginning of a regular television service for the New York City area in April, the National Broadcasting Company has added Thomas L. Riley, one of radio's best known producers of dramatic shows, to the NBC television program staff at Radio City. Mr. Riley transferred to television from NBC's regular network production group.

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WIRELESS RECEPTION CAN BE FORECAST, SAYS DR. DELLINGER

New methods of securing data which can be directly applied by the radio engineer in his choice of frequencies for any communication job have been announced by the National Bureau of Standards, Department of Commerce.

An "ionosphere" reporting service, somewhat similar to weather reporting service, though quite independent of it, is being successfully conducted by the Bureau of Standards, according to Dr. J. H. Dellinger, Chief of the Bureau's Radio Section.

"Ionosphere" is the vast electrical "ocean" surrounding the earth, and is a new world in which radio research and radio operations has given Bureau experts access in the past few years, Dr. Dellinger stated. It exists anywhere above the earth at the heights comprised between 50 and 250 miles.

Instead of being occupied by air, the ionosphere is filled with positive and negative electricity existing in layers. It is by reflection from these layers that radio waves travel from one point to another, he explained.

The electrical condition in the ionosphere is caused by ultra violet rays from the sun, not the ultra violet rays which produce tan on the bathing beaches, but more powerful rays which would be hamrful if they were not prevented from reaching the earth's surface by being absorbed in the ionosphere, Dr. Dellinger stated.

The Bureau of Standards has, as a result of its successful experiments, established an ionosphere reporting service. It gives data, weekly and monthly, obtained from its charting of the ionosphere, which assist in the predetermination of radio transmission conditions. Such service is in some respects like the weather reporting service. The reliability of ionosphere prediction will probably surpass that of weather because the controlling factors are somewhat better known and more uniform, according to Dr. Dellinger.

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SALT LAKE CITY PAPER GETS FIRST MOBILE PERMIT

The Telegram Publishing Company of Salt Lake City, Utah, is the first newspaper company to be licensed to operate a mobile press broadcast station. The Federal Communications Commission described the grant as one "to be used in the speedy gathering of news from areas not otherwise provided with the usual communication facilities". Mobile press broadcast assignments on the airwaves are now available in all communities. They are to be used with portable sets designed to be carried by reporters into areas where there either are no ordinary means of communication or the customary media have been crippled or destroyed by storm or otherwise.

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B U L L E T I N

SENATOR WHITE ASKS 11-MAN COMMISSION

A bill proposing a 11-man Federal Communications Commission, with all present offices abolished, and broad changes in the Communications Act was introduced in the Senate late Tuesday by Senator Wallace White (R.), of Maine.

The measure, covering 16 typewritten pages, proposes setting up two divisions, comprising five Commissioners each, to regulate broadcasting and common carriers separately. The Chairman would serve as ex officio member of both divisions and as Chief Executive Officer.

Other provisions of the bill provide for a minimum broadcasting license of one year, safeguards for broadcasters who carry pllitical addresses, and a new procedure for appeals from orders of the Commission.

The actions of the civisions would be final and not subject to the approval of the full Commission. The Commission would have authority to allocate all frequencies, however.

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TALKING FILMS SEEN AS TELEVISION AD BEGINNER

Early advertising through the medium of television probably will take the form of talking picture shots, broadcast from motion picture films, according to an article on "Television in 1939", published in the current issue of "Successful Advertising", house organ of Van Sant, Dugdale & Co., Inc., Baltimore agency. This advertising will be comparable to the transcribed spots now being used for radio or the one-minute shorts used for moving picture advertising.

Before any actual advertising is done through television, however, the agency pointed out, hundreds of thousands of sets must be sold first and the Federal Communications Commission must remove the experimental restriction against commercialism of the new medium.

"A big audience must be assured to justify the cost of producing programs in which your advertising story will be seen as well as heard", the article continued. "But television's possibilities for showing your product in use and dramatizing the benefits and satisfaction which it brings will be tremendous."

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46 RADIOBEACON STATIONS ADDED IN 1938

The year 1938 saw added to the list of marine radiobeacons of the world, approximately 46 new stations, 13 of these being in the waters of the United States, according to the U. S. Lighthouse Service. These additions bring the world total of marine radiobeacons to approximately 467, of which the United States operates about 30 percent.

During the past year a considerable number of the new radiobeacon installations were made by the Scandinavian countries, 10 radiobeacons having been placed in operation in the waters of Sweden, Norway, Finland, and Denmark. Two radiobeacons were established on the coast of Algeria, and also two in Morocco, one of the latter being at Cape Spartel Lighthouse, maintained through the contributions of several maritime nations including the United States. The Union of Soviet Socialist Republics, established six additional radiobeacon stations during the year.

The radiobeacon stations recently established, considerably extend the area of the world's coastal waters protected by such signal stations. The coasts of Europe are now marked in such a manner that, with the exception of two or three comparatively small areas, a vessel equipped with a radio direction finder, need never be outside the range of at least one radiobeacon station. Other large areas of the world are also well protected by radiobeacon stations.

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ITALY TO HAVE 50 STATIONS BY YEAR'S END

Italy expects to have a total of fifty broadcasting stations (including the two new ones already operating at Addis Ababa and Tripoli), in the mother country and the colonies by the end of this year.

The Italian Broadcasting Corporation (E.I.A.R.) has just issued a booklet epitomising the history of national broadcasting since the inauguration of the earliest Rome station, I.R.O., which gave its first transmission on October 6, 1924. During 1938, Italian stations broadcast 279 operas - the majority direct from the various opera-houses of the country; 233 symphony concerts; and 529 plays. Fifty-one percent of the total broadcasts were musical programs.

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Among the prominent New York business leaders named last week by Grover A. Whalen, President of the New York Fair Corporation, to sponsor the advance ticket sales campaign beginning next Friday are William S. Paley, President of the Columbia Broadcasting System, for radio, and Roy B. White, of Western Union, for communications.

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ELECTRICAL MANUFACTURERS TO MEET IN WASHINGTON

Secretary of Commerce Harry Hopkins has announced that the National Electrical Manufacturers' Association has arranged to use the facilities of the Department of Commerce for a special meeting to be held in Washington on March 30 and 31. The meetings will be open to all electrical manufacturers and to exporters of electrical merchandise.

Executive heads of the Census Bureau, National Bureau of Standards, Patent Office, and the Bureau of Foreign and Domestic Commerce will appear before the representatives of the industry during the meetings which have been arranged.

At the dinner meeting on March 30, Carl L. Peirce, Jr., President of the NEMA, will preside. Dr. Willard L. Thorp, economic adviser to Secretary Hopkins, is scheduled to discuss the plans and procedure of the Temporary National Economic Committee.

Of the four other half-day sessions, two will be devoted to the Bureau of Foreign and Domestic Commerce - one to domestic and one to foreign. The Census Bureau is scheduled for one full session and the Bureau of Standards and the Patent Office will share the fourth.

N. H. Engle, Acting Director of the Bureau of Foreign and Domestic Commerce, will present - in cooperation with the Chiefs of the three domestic divisions - the character and extent of the services available in the domestic field.

Various phases of Census Bureau activities, together with the statistics and services which it makes available to business, will be presented by the Chiefs in charge of the several activities. Vergil D. Reed, Assistant Director of the Bureau, will preside.

Walter White, Assistant to the Chairman of the Business Advisory Council will preside at another meeting when the Patent Office will be discussed by Commissioner Conway P. Coe, and the National Bureau of Standards by Lyman J. Briggs, its Director, and by Assistant Directors E. C. Crittenden and A. S. McAllister.

The fourth session, covering the foreign services of the Bureau of Foreign and Domestic Commerce, will be led by F. H. Rawls, Assistant Director, and Division Chiefs will speak.

Copies of the program will be available either from the National Electrical Manufacturers' Association in New York City or from John H. Payne, Chief, Electrical Division, Bureau of Foreign and Domestic Commerce, Washington, D. C.

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WOR SIGNS RADIO ARTISTS' CONTRACT

Full cooperation between WOR and the American Federation of Radio Artists was assured late last week by the signing of a contract covering commercial and sustaining performers, by Alfred J. McCosker, President of WOR, and George Heller, Associate Secretary and Treasurer of AFRA. The negotiations were marked by an atmosphere of amity and a desire to cooperate on the part of both parties.

The contract, covering wage rates and conditions of employment, is identical in all respects with those ratified last week by the National Broadcasting Company and the Columbia Broadcasting System, according to Union officials.

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FREEDOM OF RADIO, NOT PRESS, NEEDED, SAYS WRITER

More freedom of the air, to permit critics of the Administration to speak, is needed rather than freedom of the press, which Secretary Ickes holds is lacking, according to Royal F. Munger, writing in the Chicago Daily News.

"Listening to the speech of our esteemed fellow townsman Secretary Ickes on 'Freedom of the Press', the other evening, gave us a couple of chuckles", Mr. Munger wrote. "It was an interesting talk, entirely aside from the smiling bouquets he handed the Daily News, and Ickes has done an outstanding job in Washington, but some of the points he made at the banquet seemed a little far-fetched.

"It appears that he debated with Frank Gannett, in the Town Meeting of the Air, on the same subject. We didn't happen to hear the debate, and are still in ignorance of what Mr. Gannett said. All Mr. Ickes talked about was what he, Ickes had said. It seemed to annoy him that Mr. Gannett's subsequent editorial comments had referred chiefly to what he, Gannett, had said. Ho, hum, Most lawyers and or politicians would like to meet editors in debate, for your editor is rarely much of a public speaker, and is as handicapped on the platform as the politician is when asked to state his policy in writing in 100 words.

"The second point was that newspapers had suppressed some story about the harmful influence of tobacco. The story was only 'filler' at best, and the wonder is that 275 papers printed it. The statement of a college professor that tobacco is harmful is hardly news! Every eighty-grade physiology textbook for the last 30 years has carried that information. But practically everybody at the Ickes dinner was smoking!

"What is needed at the moment is not more freedom of the press, thank you, but more freedom of the radio. Would someone in Washington like to explain why so few administration critics are on the air?"

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
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FEB 25 1939

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No. 1101

McNINCH-WHEELER BILL DUE FOR SEVERE OVERHAULING

Chances that the seven-man Federal Communications Commission will be replaced by a three-man agency were growing slimmer this week as Senator Wallace White (R.), of Maine, offered a counter proposal to the McNinch-Wheeler bill. Senator White's measure, which has the backing of the broadcasting industry, would establish a 11-man Commission with regulation of broadcasting and communications common carriers strictly separated.

Even Senator Wheeler (D.), of Montana, appeared to have lost much of his enthusiasm for the McNinch plan after listening to a delegation from the National Association of Broadcasters. While he formerly promised to rush the bill through the Senate, he has not yet scheduled hearings or appointed a sub-committee to conduct them.

Unconfirmed rumors, moreover, were that there is a rift growing between Senator Wheeler and Chairman McNinch. One of the causes, it was said, was that Mr. McNinch's recent Baltimore speech in which he took full credit for the Wheeler legislative proposal. Another was that Senator Wheeler feared his tie-up with an alleged former member of the Ku Klux Klan was doing him no good back home.

An indication that the Senate is watching developments with regard to the FCC with keen interest was seen in the questioning of Senator White when he explained his bill on the Senate floor this week.

Senator Logan (D.), of Kentucky, stated his approval of the 11-man two-division plan offered by Senator White after listening to the explanation, and Senator Austin (R.), of Vermont, showed a keen interest in it.

Broadcasters who are doing some effective lobbying against the McNinch bill on Capitol Hill believe that Senator Wheeler will agree to a five-man Commission as a compromise with a separate division handling broadcasting matters exclusively. Senator White, on the other hand, says he would have no objection to keeping the FCC at seven members providing the division control were adopted.

Explaining his bill, Senator White stated on the Senate floor:

"The bill deals primarily with the administrative machinery of the Commission, and suggests certain procedural changes from the present practice. My principal purpose is to present to the Congress alternatives to the recommendations made

by Mr. McNinch, of the Communications Commission, and embodied in Senate Bill 1268, introduced by the Chairman of the Interstate Commerce Committee of the Senate. I recognize infirmities in the draft I offer; but the substantive provisions, I believe, are sound and should be considered by the committee whenever Senate bill 1268 is set for hearing and for study.

"Sections 1 to 6, inclusive, basically change the present administrative set-up and functions of the Commission. Experience to date has proved that these changes, or substantially these modifications, are necessary if the Commission is to function properly as a regulatory body, and is to give to the Communications Act of 1934 the type and quality of administration and regulatory control intended by the Congress when it enacted the 1934 Act.

"Summarized, the bill proposes in the first six sections a Commission composed of 11 members, separated into two permanent divisions of five members each, not including the Chairman.

Asked by Senator Austin why he chose the number 11, Senator White replied:

"I do not regard it as imperative that the number of the Commission should be 11. I do not regard it as absolutely necessary that the divisions should be 5 members each. However, I do think there should be a break-down into divisions either 2 or 3 divisions. There must be a sufficient number of Commissioners so that each division shall have such a number of members that matters may be studied and may have the combined judgment of members rather than the judgment of an individual member. I do think it imperative, whether the number be 7 or 11, or whether the divisions be of 3 or 5, that there should be a statutory breakdown, and statutory jurisdiction in the divisions.

Senator Logan asked: "Am I to understand that each division will have authority to act upon questions without taking them before the full Commission?"

"That is generally what I propose", Said Senator White. "I shall enlarge on that question a little as I go along."

"It would be better then", Senator Logan continued, "to have two divisions, say, of five each, and a Chairman, so that each division, if the Chairman sat with each, would constitute a majority of the Commission, and if there were a disagreement the question could be taken before the full Commission."

"My judgment is that the set-up I am proposing, of 11 members, with divisions of 5 is a sound set-up", Senator White replied.

"I think so too", Senator Logan added.

Continuing, Senator White explained:

"Under the plan, the full Commission would have power and authority to adopt and promulgate rules and regulations of general application authorized by the Act, including procedural rules and regulations for the Commission and each division thereof. It would have plenary authority over amateur services, emergency services, over all matters arising under the Ship Act of 1937, so-called, the qualifications and licensing of operators, the personnel of the Commission and of the divisions, the assignment of the bands of frequencies to the various radio services, and many other subjects over which the full Commission now has authority. The judicial and quasi-judicial functions of the Commission would, however, be vested in the two divisions. These include jurisdiction over the important and controversial subjects now inadequately dealt with by the whole Commission because of well-recognized conditions.

"The jurisdiction to hear and determine all cases relating to broadcasting, television, facsimile, and similar communications intended for public reception is proposed to be vested in a Division of Private Communications. This plan is a recognition of the fundamental differences in the types of communications involved and the nature of the questions presented thereby. It also provides a method for obtaining consideration of these different types of communication by persons who are selected because of their familiarity with the subjects, and who will be able to devote their time and attention to them without interruption or interference occasioned by the demands of basically different problems.

"Under the plan proposed, the Chairman would be the executive officer and the coordinator of all work of the Commission, participating fully in all matters within the jurisdiction of the Commission, except the determination and the decision of those contested matters made the exclusive responsibility of the divisions. Again, experience has amply demonstrated that a Chairman cannot devote the time and attention necessary to a proper handling and disposition of these technical and contested questions and at the same time efficiently discharge the other duties which unavoidably fall upon a Chairman and those which are made in part his obligation by the present proposed amendments.

"The terms provided originally for the Commissioners are of 2, 3, 4, 5, and 6 years, with the appointments to be made in each case to a particular division. Thereafter, the appointments are to be for terms of 6 years. The original term of the Chairman is made 2 years, and thereafter his term likewise is to be 6 years.

"I believe such a statutory break-down of the Commission would bring about an essential separation of functions, would contribute to a sounder knowledge on the part of the Commissioners of the communications problems committed to them, would make for orderly procedure and harmony of decision, and would speed up the disposition of cases before the Commission and the divisions thereof.

"Sections 7, 8, 9, and 15 of the bill would make the provisions of present law, permitting the merger and consolidation of telephone companies, applicable to all common carries of communications. The condition of our common-carrier communication companies, and particularly the situation with respect to international communications, make it wise that this authority of law should exist. I have included the provisions because I believe

it imperative that this subject should be studied without further delay. Unless some solution of the difficulties of our communication carriers is found - and again I stress the significance of communications in the foreign field - disastrous consequences are likely to result to American services.

"Sections 10 and 11 of the bill are designed to eliminate certain obsolete provisions of the present law, and to establish a minimum term of 1 year for all licenses granted by the Commission.

"Sections 12, 13 and 14 are designed to remove procedural difficulties which have arisen under the present law.

"Sections 16, 17 and 18 deal with broadcasts of a political nature, or those involving the discussion of controversial public questions. Section 315 of the present law has been a subject of controversy. Some would construe it to impose upon broadcasters the duty of accepting and broadcasting slanderous or libelous material when submitted by a candidate for public office, even though the station might thereby become liable for damages or in criminal proceedings under the laws of particular States. I have sought to clarify this situation by deleting some language now appearing in Section 315, and by the addition of a new section which provides that although no licensee shall have the power to censor, he shall not be required to broadcast any material submitted by a candidate for public office which is slanderous or libelous, or which may subject the station to an action for damages or to penalty under local, State, or Federal law. The proposed section further provides that the licensee shall have the right to demand and receive a complete and accurate copy of the material to be broadcast, so that it may be examined and made to conform to the requirements of the section.

"Section 17 proposed an entirely new section, designed to require the identification of the speaker in the case of broadcasts dealing with public or political questions. This has been required in the case of any commercial use of a station. The proposed section simply carries this principle of identification further, and makes it applicable to those intending to discuss political or public questions.

"The other provisions of the bill are technical, dealing with procedural steps before the Commission and with court procedure.

"I emphasize that without giving painstaking care to its draft, I have introduced this bill in the hope that the legislative proposals contained therein may receive consideration by the Interstate Commerce Committee of the Senate when Senate Bill 1268 is taken up for study. Other questions of policy ought to be surveyed and the congressional purpose with respect to them declared. Some of them are highly controversial; and it has long seemed to me that investigation and study should precede any attempt to draft legislation.

"Heretofore the Senate has been reluctant to authorize that examination of the problems which in all good sense should be the basis of legislative action. I hope a different attitude may now be manifest, and that some of the communication problems which vex us will have the study and thought of the Senate and its appropriate committee."

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WHITE BILL WOULD CURB LIBEL OVER RADIO

Two provisions of the White Bill (S-1520) for amending the Communications Act are designed to save broadcasters from becoming involved in unintentional libel or slander suits because of utterances made by political speakers whose addresses they may not censor.

While retaining the prohibition against censorship, the proposed Act would require that copies of addresses be delivered to a station in advance of presentation and would permit broadcasters to delete slanderous or libelous matter.

Another provision would require identification of every public speaker, with the group or person whom he represents, before he is allowed to speak on the air.

The provisions, Sections 17 and 18 respectively, follow:

"Sec. 17. Add to said title III the following new section:

"'Sec. 330. No licensee of any radio broadcasting station shall permit the use of such station for the discussion of any public or political question whether local, State or national in its scope and application, unless the person or persons using such station shall, prior to such use, disclose in writing and deliver to the licensee the name or names of the person or persons or organization upon whose instance or behalf such broadcast is to be made or conducted. Upon the making of any such broadcast the name of the speaker or speakers using the station, together with the other information required by this section, shall be announced both at the beginning and at the end of such broadcast. Public officers, speaking as such, whether local, State, or national, and whether elective or appointive, shall be relieved of compliance with the foregoing provisions, but in all cases the licensee shall cause an announcement to be made both at the beginning and at the end of the broadcast, stating the name of the speaker, the office held by him, whether such office is elective or appointive, and by what political unit or public officer such power of election or appointment is exercised. Where more than one broadcasting station or a network of such stations is used as herein provided, the requirements of this section will be met by compliance therewith at the station which originates such broadcast.'

"Sec. 18. Add to title III the following new section:

"'Sec. 331. No licensee of any radio broadcast station shall have the power to censor, alter, or in any way affect or control the political or partisan trend of any material broadcast under the provisions of sections 330 and 315 hereof: Provided, however, That no licensee shall be required to broadcast any material which is slanderous or libelous or which might subject the licensee or its station to any action for damages or to a penalty or forfeiture under any local, State, or Federal law or regulation. In

all such cases the licensee shall have the right to demand and receive a complete and accurate copy of the material to be broadcast a sufficient time in advance of its intended use to permit an examination thereof and the deletion therefrom of any material necessary to conform the same to the requirements of this section, and the Commission shall make rules and regulations to carry this provision into effect.'"

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51,000 LICENSED RADIO AMATEURS, FCC REVEALS

The number of licensed amateur radio operators in the United States had passed the 50,000 mark, the exact number being slightly over 51,000, the Federal Communications Commission disclosed this week. The total number of licensed amateur stations is slightly greater than this, it was pointed out, as several operators own more than one station.

While the importance of amateur stations and operators has been publicly demonstrated repeatedly in times of emergencies such as floods, storms, ship-wrecks and other disasters, the value of this small army of men and women to the Navy and Army is little understood. A large number of these amateur stations and operators are affiliated with the Naval Communications Reserve and the Army Amateur Reserve System. These organizations offer training which provides practice drills and instruction to enable amateurs to develop accuracy and speed in communication as well as to improve their technique in the operation of amateur stations.

In making public the figures on the number of amateur operators and stations in this country, the Commission pointed out that there are more than a thousand "shut-in" operators. Often these people find their chief contact with the outside world in their radio telephone and telegraph talks with other amateur operators far away. They include not only cripples and the bedridden but a number of blind persons as well. The blind operators, estimated to number more than a hundred, frequently take their license tests in Braille. The tests are sent to the Library of Congress where they are translated and returned to the Commission for rating. The blind operators take the same speed test as other amateurs, demonstrating their ability to send and receive international Morse code signals at the rate of thirteen words per minute.

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The Federal Communications Commission (Brown and Walker, Commissioners, dissenting, McNinch, Chairman, and Payne, Commissioner, not participating), this week denied the application of Food Terminal Broadcasting Company, Cleveland, Ohio.

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FCC SPLIT IN TEXAS FREQUENCY FIGHT

The Federal Communications Commission,(Chairman McNinch and Commissioners Brown and Sykes dissenting), announced this week a denial of the petitions for rehearing filed by the West Texas Broadcasting Company, Wichita Falls, Texas, the Journal Company (WTMJ), Milwaukee, Wisconsin, the motion for rehearing filed by the Tri-State Broadcasting System, Inc. (KTBS), Shreveport, La., and granted the motion of Faith Broadcasting Company, Inc., Wichita Falls, Texas, to withdraw its application.

This matter involves the applications of West Texas Broadcasting Company, the Wichita Broadcasting Company, and Faith Broadcasting Company, Inc., to establish a new station in Wichita Falls, Texas.

On June 28, 1938, the Commission denied the application of West Texas Broadcasting Company for a construction permit to operate on 1380 kc., 1 KW, unlimited time; the application of Faith Broadcasting Company, Inc., to operate on 1380 kc., 1 KW, 5 KW-LS, unlimited time, and granted the application of Wichita Broadcasting Company to establish a new station using 620 kc., 250 watts, 1 KW-LS, unlimited time. The applications of C. C. Baxter (KFPL), Dublin, Texas, for voluntary assignment of license to WFTX, Inc., and the application of WFTX, Inc., (KFPL), Wichita Falls, to change frequency from 1310 to 1500 kc., and power from 100 watts (CP 250 watts) to 100 watts, 250 watts-LS, were dismissed with prejudice.

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FCC ENGINEERS NOTE COAXIAL CABLE POSSIBILITIES

Tests which are in progress on the experimental coaxial cable installation between New York and Philadelphia have demonstrated the feasibility of transmitting 480 simultaneous telephone conversations through a single small cable, according to reports to the Federal Communications Commission.

The same small cable, no bigger around than a broom handle, may be used for transmission of a television program, in lieu of the telephone conversations, although thus far at least the pictures are inferior to those produced by the most modern television equipment.

Alternatively, any one or more of the 480 telephone channels may be replaced by a channel for facsimile or wirephoto. By using two or three of the telephone channels, a high fidelity circuit for radiobroadcast purposes may be obtained, conveying a program from the point of origin, or of "pick-up", to the point where it goes on the air.

The theoretical possibilities go much further, engineers of the Commission pointed out. As it has been proved possible to carry twelve telegraph messages on a single telephone channel, the coaxial cable, with its 480 channels, might transmit more than 5,000 telegrams simultaneously. It was emphasized, however, that many problems remain to be solved, and many adjustments to be made, before such operation could be attempted. Even then it would have to be studied in the light of its effects upon other parts of the nation's systems of communications.

The present cable system is being operated under an experimental authorization granted by the Commission in 1936 to the American Telephone & Telegraph Company and the New York Telephone Company. The cable, 94.5 miles long, was completed late in that year. Since then an extensive program of field tests and experiments has been carried out by the Bell Telephone Laboratories.

This novel medium for the transmission of communications was authorized for the purpose of broadband transmission. It utilizes the principle of transmitting a large number of different groups of electrical impulses of different frequencies over a single pair of conductors. The elaborate and ingenious equipment which is used in conjunction with the cable "sorts out" the frequencies, so that the voices transmitted on each frequency are as distinct as if they traveled over a pair of conductors all by themselves.

An application is pending for authorization to build a similar coaxial cable installation, twice as long, for commercial use. This application has not yet been acted upon by the Commission. The proposed system would be installed between Stevens Point, Wisconsin, and Minneapolis, Minnesota, a distance of 195 miles. It would be installed and operated by the American Telephone and Telegraph Company and the Wisconsin Telephone Company. It would utilize four coaxial units instead of the two employed in the experimental installation, but the second pair would be for "stand-by", or reserve, use.

The New York-Philadelphia cable, has an outer covering of lead 7/8 inches in diameter, and contains two coaxial units, which are a pair of copper tubes, with a wire centrally located in each tube. Each of these tubes is approximately the size of an ordinary lead pencil, while the wire within is about the size of a pencil lead, which is held centrally by thin slotted discs of hard rubber, equally spaced along the wire.

Although the coaxial system receives its name from the line structure, greater novelty resides in the repeaters and terminal apparatus. This broadband system permits the use of a much larger frequency band width and a larger number of channels over a single pair of conductors than has been possible heretofore. One of the units is used for transmission in one direction, while the other unit is used for transmission in the opposite direction.

An "ordinary" telephone channel is provided by a pair of wires, which handles conversations in both directions. In connecting such channels to the coaxial system at New York, the first step is to split the outgoing talk from the incoming. By "modulating" apparatus, the outgoing talk is lifted to a new position on the frequency scale, just as a broadcast program is lifted to a position in the radio range. Eleven other outgoing channels from different subscribers are placed one after another alongside the first - the group occupying the range from 60,000 to 108,000 cycles. At the same time, other groups of twelve channels each are formed, and each group is lifted as a unit to a new place on the scale. Eventually the range from 60,000 to 1,020,000 cycles is filled with twenty groups of twelve channels each. The entire range is then transmitted over one of the coaxial "pipes" to Philadelphia, where it is broken down into individual channels for transmission to the proper listener's ear. The same process is carried out in transmitting the telephone channels from Philadelphia to New York over the other coaxial unit.

Along the route are installed special unattended amplifiers, or repeaters, which receive their power over the inner wires of the two coaxial units. These repeaters were initially spaced at ten mile intervals, and were capable of transmitting a band width of 1,000,000 cycles. Over this system, with the ten mile repeater spacing, it was found possible to transmit simultaneously 240 "two way" telephone conversations. As many messages were capable of being transmitted through this pair of "tubes" as are now transmitted over an ordinary toll cable the size of a man's arm.

While tests were being made on the New York-Philadelphia cable, the Bell Telephone Laboratories was developing a repeater capable of amplifying a band width of 2,000,000 cycles. The 1,000,000 cycle repeaters were removed and the 2,000,000 cycle repeaters were installed at five mile intervals. From tests made with the new repeaters, it was found possible to accommodate 480 high grade telephone channels.

This 2,000,000 cycle system will provide for television currents corresponding to about 350 line pictures. This is a superior grain to the 240 line images previously transmitter; nevertheless, it is still inferior to the grain produced by the most modern television equipment (441 lines or better).

Tests were also made on the system with the circuit channels looped back and forth at the terminals to give a total telephone circuit length of 3,800 miles, equivalent in distance to transmission from coast to coast. The quality of telephone transmission was satisfactory. In this connection, the conversations in each direction passed through no less than 70 stages of frequency transformation.

Television was transmitted over the cable, in the form of sound motion pictures, from New York to Philadelphia. For this purpose the telephone terminal equipment was removed from the system.

The demonstration showed, for the first time, the unique and economical utilization for television currents of the frequency band of a long coaxial cable. Instead of transmitting the television currents by the double side-band method common to radio

broadcasting, a method for single side-band transmission was developed, thus utilizing the frequency range to the fullest capacity.

This country has led the way in the development of the coaxial cable, the FCC engineers stated. American equipment is considered to be unexcelled. The installation and experiments here have prompted European telephone administrations to adopt this system recently.

A four core coaxial cable network is being constructed in England. One cable between London and Birmingham, containing 80 telephone channels, has been in service for several months. Another is being constructed between London and New Castle.

A coaxial system is under construction in France. One Cable will extend from Paris to Bordeaux, while another will replace in large part the Paris-London cable.

Another European coaxial system was placed in service between Leipzig and Berlin, Germany, last year. Capable of transmitting 30 telephone conversations simultaneously, it can also be utilized to transmit television programs of low grade definition.

The idea of the coaxial form of transmission line is relatively old, and was studied theoretically and mathematically at various times during the latter part of the last century, going back to the work of Rayleigh, Heaviside, and J. J. Thompson.

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FCC RULES ON PRESS STATIONS AMENDED

The Federal Communications Commission this week amended Rules 232 and 241(a) to read as follows, effective March 1, 1939:

"Rule 232. The term 'fixed public press' service means a radio communication service consisting of transmissions from a fixed station, open to public correspondence, of news items, advertising, or other material relating to or intended for publication by press agencies, newspapers, or for public dissemination. These transmissions may be directed to one or more fixed points, specifically named in the station license, or to unnamed points in accordance with the provisions of Rule 241(a).

"Rule 241(a). Upon application being made, the Commission may grant a license, or a modification of license, for fixed public press service to authorize the use of the assigned frequency, or frequencies, for transmission without coordinated reception of addressed messages to one or more fixed points, in accordance with the provisions of Rule 232. The points to which such transmission is authorized need not be named either generally or specifically in the license. After such application is made and granted, specific authorization for transmission to each new point shall be contingent upon (a) the licensee's immediate notification to the Commission of the first transmission to said point and the location of the station or stations from which such transmission is made,

and shall continue until the expiration date of the station license or licenses unless, within thirth (30) days, the licensee is otherwise notified by the Commission; (b) effective tariffs covering transmission to each new point authorized by this rule are currently on file with the Commission. After thirty (30) days from the commencement of such transmission the Commission shall be notified on the first day of each calendar month the frequencies used for the transmission of messages authorized by this rule and the points of communication to which each frequency was utilized. In addition, the licensee shall within such 30-day period inform the Commission of the name of the person operating the receiving end of the circuit and the number of subscribers at that point. In addition, immediate notification shall be made of the deletion of any point which has been previously authorized by the provisions of this rule, and any change in identity of the person operating the receiving end of the circuit, and any change in the number of subscribers at that point. Nothing herein contained shall be construed as a waiver of any provision of law or regulation requiring the filing with the Commission by the carrier of copies of contracts in relation to traffic, or other contracts."

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CANADIAN RADIO SALES SHOW DECLINE IN 1939

Sales of radio receiving sets to Canadian dealers during 1938 numbered 211,470 units valued at $17,119,850 compared with 232,343 units valued at $20,039,146 in 1937, according to a report to the Department of Commerce from the office of the American Commercial Attache at Ottawa.

Inventories of Canadian companies reporting to the Radio Manufacturers' Association of Canada as of December 31, 1938, totaled 50,244 units as compared with 62,291 units on hand at the end of November and 58,799 units at the end of December, 1937, the report stated.

Projected production from January 1 to March 31, 1939, is scheduled at 19,799 units, including 14,199 alternating current chassis, 4,150 battery sets, and 1,450 automobile sets, according to the report.

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The U. S. Commerce Department reports that the number of radio licenses in force in Sweden has recently passed the 1,200,000 mark, thus giving this country the highest number of wireless sets per capita in the world, with the single exception of Denmark.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
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No. 1102

February 28, 1939.

CENSORSHIP ISSUE AGAIN SPLITS COMMISSION

With the adoption of a majority report on program complaints, the Federal Communications Commission this week was again split widely over the question of program censorship but with Commissioner T.A.M. Craven standing alone in the minority.

The FCC, through its Chairman-directed press division, first issued a press release explaining what it termed a new procedure for handling program complaints. But when complaints were made in the Commission that the statement was misleading, the Press Division released the copies of both the majority and minority reports. The reports were submitted to the FCC before Christmas but suppressed as "too hot" until the Commission decided to act. The majority report was prepared by Eugene O. Sykes and George Henry Payne.

Under the procedure adopted, it appears, the Commission will continue to give the broadcasting industry the jitters by threatening to withhold a license renewal because of a program complaint against the station. The only change is in the manner of handling the complaints originally by the Law Department.

Commissioner Craven, insisting that the majority report did not go far enough, urged the Commission to give reassurance to the industry that it would not exercise indirect censorship as in the Mae West and WCTN cases by agreeing to set license renewals for hearing only in the most extreme cases.

Chairman McNinch and Commissioners Sykes, Payne, Case and Walker voted to adopt the procedure laid down in the majority report. Commissioner Brown was not present.

Analyzing the approximately 50 letters of complaint handled each week by the Law Department the Committee reported that about 60% are "frivolous", and about 30% "non-informative" or non-specific. The remaining complaints of more substantial character will be investigated by the Law Department under the procedure adopted, without the making of "unreasonable demands" upon stations. The Department will inform the Commission about these investigations weekly and upon the completion of any investigation will report findings and recommendation upon license renewal or license revocation. The report stated that "as to revocation few single complaint matters will warrant such action".

As to the temporary licenses, the view was expressed by the Committee and espoused by the Commission that "as a general policy temporary licenses pending investigation are not warranted and will not be issued". Public announcement will be made of the designation for hearing of any application for renewal of license

with the reasons for setting the matter for hearing. In revocation cases the report stated that "the Order of Revocation itself must be accompanied by a full statement of the reasons therefor in accordance with the provisions of Section 312(a)".

Commissioner Craven, in his dissenting report said:

"I agree in principle with the majority report of the Complaint Committee insofar as it goes, but since it is limited to the procedure to be followed by the Law Department prior to action by the Commission, it is my opinion that the majority of the Committee does not solve the perplexing problem confronting the Commission as a whole, nor does the majority pass upon the suggestions of the Law Department in their memorandum of November 8, 1938, which was referred by the Commission to the Complaint Committee.

"After comprehensive study of the procedure utilized by the Commission in the past on matters concerning program complaints, it is my opinion that the procedure usually employed, namely, the setting of an application for license renewal for hearing, in itself works frequent injustice. In many cases there is no real intention of inflicting the extreme punishment of failing to renew the station's license, even if the charges are proved true. In advance of any determination of whether the charges are true or untrue, the station licensee is subjected to severe punishment by the publicity and the advantage which is taken thereof by his competitors. Also, in such cases the Commission acts as both prosecutor and judge. As prosecutor, presumably after careful investigation and satisfying itself that the charges on their face may justify denial of a renewal application, the Commission proceeds to set the renewal application for hearing on the basis of such charges, and then sits as a court to determine whether or not the charges are true. The public, station employees, advertisers and competitors are naturally led to believe that the station's license is in real jeopardy. Furthermore, the foregoing procedure, since it involves dealing ex post facto with applications and applying previously unknown standards after the alleged offenses have been committed, does not appear to be entirely logical and in spite of the fact that the Commission has the duty of requiring stations to operate in the interest of the public, the Commission is and has been subjected to accusations of indirect censorship.

"In addition to the foregoing, it has come to my attention that the investigation conducted by the Law Department has resulted in other undue hardships upon station management. Detailed information of no great importance but requiring expenditures of time and money has been requested, resulting in an onerous burden upon an already harassed station personnel.

"In view of the foregoing, I strongly recommend that the Commission abolish entirely its past and present procedure of handling complaints, as well as the practice of designating applications for renewal of license for hearing for isolated instances of infractions of the Act or the Commission's Rules and Regulations, or of conduct of the station contrary to the standard of public interest."

After a long discussion of his proposed procedure for handling complaints, Commissioner Craven concludes:

"Much can be accomplished in the future by the radio industry itself, in the setting up of standards and a procedure for dealing with its members who do not conform to such standards. The persistent non-comformity by a licensee to accepted practices which have been proven to be in the public interest might be taken as an indication of the capability of any licensee to operate a station in the public interest."

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PHILCO FIRST TO SET DATE FOR TELEVISION DEBUT

Marking what is believed to be the first official announcement from a large radio company as to when its television receivers will be available, the Philco Radio and Television Corporation made known last week that its new television sets will be put on the general market in May. The company, however, did not disclose the price ranges, but is expected to do so at its sales convention in New York starting on March 6th.

While other companies have not announced the exact dates on which their receivers will be ready, the general answer to queries has been "two or three months", according to the New York Times.

"Among those expected to come out within that period are RCA, Zenith and Emerson", the Times said. "It was regarded as likely in the trade that most of these companies would strive to have at least a few receivers in stores for the opening of the World's Fair in New York on April 30th.

"At the beginning, it was admitted, the number of sets in the New York market will be comparatively small. Currently, there are no more than about 200 receivers in use throughout the country and these have been used mainly for experimental purposes. All sorts of estimates have been made as to the probable sales of receivers during this year but in trade circles the most likely figure is regarded as around 50,000.

"In the first year of sponsored commercial broadcasting, some 250,000 radio sets were sold. Currently, it is estimated that there are about 35,000,000 sets of all descriptions, including auto radios, in use.

"Judging by the English experience, however, the response to television will be much slower. At present, after about three years of fairly regular broadcasts, there are between 6,000 and 10,000 television receivers in use in England, with the lower figure regarded as the most likely. In addition, television broadcasts in New York will be nowhere near as numerous as were radio broadcasts fifteen years ago, and until there is a fairly steady program schedule, it is regarded as unlikely that many customers will wish to buy machines."

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"STATIC-PROOF" RADIOS FOR FLYING STUDIED

In revising rules and regulations for the aviation radio service in the next few weeks, the Federal Communications Commission will give consideration to new "static-proof" radios which defy thunderstorms and promise additional safety in flying, it stated this week.

This equipment, utilizing very high frequencies, above 100,000 kilocycles, has enabled pilots for the first time to hear aeronautical ground stations clearly without interruption even during severe storms. On the conventional frequencies signals from the ground sometimes are drowned out completely by static bursts.

The clear audibility of signals received with the new equipment promises to protect planes against being cut off from communications with the ground, according to engineers of the Commission, and thus to add an important new safeguard for pilots and passengers.

A number of experimental licenses have been issued by the Commission to radio manufacturers and airline companies for the very high frequency or "static-proof" transmitters and receiving sets, as part of the effort by many agencies to maintain for American flying the best aviation communications system in the world.

Reports of the licensees' experiments and their results are being studied constantly by engineers of the Commission, who also observe field tests of the equipment.

The Commission has not as yet licensed the frequencies above 60,000 kilocycles on any other basis than experimental. It will determine allocations, and rules to govern the use of the frequencies, before the "static-proof" equipment is made available for commercial use.

Another question to be considered by the Commission when it revises rules and regulations for the aviation service is that of making more definite provision, in conjunction with the Civil Aeronautics Authority, for instrument landing radio systems, as an additional safeguard for air transportation.

For several years there has been steady progress in the development of these systems. The work has been conducted by cooperation between Civil Aeronautics Authority, other Government departments, and the aviation industry. This highly technical tool has reached the point where the Communications Commission has authorized commercial installations of experimental systems at five of the major airports in the country. If and when such systems reach the state of practical everyday application, it will be feasible for aircraft coming in at properly equipped airports to make safe landing regardless of the type of weather at the field or the extent of visibility.

One of the newer developments which will also provide increased safety in the flight of aircraft, is the radio altimeter. This instrument, upon which considerable experimental work is being done with Commission approval, will enable the pilot to determine his exact distance above all obstructions, rather than merely above sea level, or some other fixed level, as heretofore. Such information will considerably aid those pilots lost due to foggy or other bad weather, especially in mountainous country, who desire to approach the ground in order to determine their position. They will be able, through the use of the radio altimeter, to make such approach with considerable assurance of avoiding a crash.

The radio altimeter, in determining the plane's distance above ground, measures the time taken for the signal to be transmitted from the plane to the ground, reflected, and received at the plane. This time, by means of electrical circuits, is converted in such a manner that the instantaneous altitude of the plane is shown directly on the face of an instrument giving the pilot an exact and continuous indication of the plane's actual altitude above ground. This method is very sensitive to small variations in actual height above ground and gives positive indication of any and all obstructions.

The regular aircraft altimeter registers variation of air pressure and indicates the plane's altitude above some particular reference level, usually sea level. Therefore, in addition to this information the pilot must know the elevation of the land and obstructions over which he is flying in order to avoid collisions.

Promulgation of rules to govern the use of frequencies allocated to instructional flying, for the protection of student aviators, is also under consideration by the Commission.

Evidencing the importance attached to the radiocommunication network maintained to keep in touch with aircraft while in flight, practically all radio installations aboard transport planes are now made in duplicate, each transmitter, receiver, and power supply being supplemented by a spare unit kept in readiness for use in the event of failure of the regular equipment.

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U.S. SENDS DELEGATE TO EUROPEAN PARLEY

The United States Government has accepted the invitation of the Swiss Federal Council to be represented at the European Broadcasting Conference, which will convene at Montreux, Switzerland, on March 1, 1939, pursuant to an agreement concluded at the International Telecommunications Conference held at Cairo in 1938, the State Department has announced. The discussions at the Conference will include questions pertaining to the correlation of European broadcasting frequencies and the mobile maritime services.

President Roosevelt has approved the designation of Commander J. F. Farley, Chief Communications Officer, United States Coast Guard, as this Government's representative at the meeting.

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COURT PONDERS WLW CASE AS FCC FIGHTS APPEAL

The U. S. Court of Appeals of the District of Columbia expected to hold a hearing at 5 P.M. today (Tuesday) and thereafter to later hand down a decision in the case of the 500 KW. permit of Station WLW, Cincinnati. With the order of the Federal Communications Commission to end the super-power broadcasts of WLW due to become effective at 3 A.M., Wednesday, March 1st, the FCC through its General Counsel, William J. Dempsey, filed an answer Saturday to the appeal of the Crosley Corporation.

The Commission Counsel, in his brief, argued that for the Court to grant the Crosley company a stay of the Commission's order would constitute an unaughorized exercise by the Court of administrative power and an encroachment of the plainest kind by the judicial branch on the executive branch of the Government.

Mr. Dempsey pointed out that after March 1 the operation of the Crosley station on 500,000 watts will be unlawful, not because of the Commission's order but because of the provisions of the Communications Act of 1934, which prohibits the operation of any radio broadcast transmitter without a proper authorization from the Commission. It is contended that no effective relief can be granted the Crosley company without issuance of an authorization to continue operation.

The request for a stay, it was further pointed out, is in substance a request for a mandamus to compel the Commission to issue a special experimental authorization or a request for the issuance of such an authorization by the Court.

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RADIO STATIONS SOON TO NUMBER 764

As of January 1, 1939, there were 722 broadcasting stations licensed by the Federal Communications Commission to operate in the United States and its territories. Construction permits had been granted for the erection of 42 new stations at that time. The FCC had therefore provided for the eventual operation of 764 stations.

During the month of January the FCC issued licenses for five new stations, bringing the total of licensed stations to 727 as of February 1, 1939. The Commission granted construction permits for two new stations to be built. The count of such construction permits was 39. The count of stations operating and under construction was 766 on February 1.

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TRADE NOTES

Two recording and instantaneous play-back instruments, one a deluxe console type which provides exceptional quality of reproduction while maintaining simplicity of operation, and the other a handy, low-cost portable, have been announced by RCA Victor.

A Senate Rules Subcommittee headed by Senator Gillette(D.), of Iowa, heard arguments last week for and against admission of radio news commentators to the press galleries of Congress. Only correspondents of daily newspapers now may use the galleries.

Fulton Lewis, Jr., Mutual Broadcasting System commentator, and Neville Miller, President of the National Association of Broadcasters, urged that Senate rules be amended to give radio representatives the same gallery privileges as newspapermen, or equivalent facilities for reporting the work of Congress.

The World Wide Broadcasting Corporation, of Boston, this week was granted a construction permit by the Federal Communications Commission for a new international broadcast station to use 11730 and 15130 kc., known as the Pan American frequencies, with 20 KW. power. The applicant, which already operates Station W1XAL, agrees to conduct tests in Puerto Rico, Buenos Aires, and London.

Mikhail M. Voznesensky, former Soviet radio operator at the Rudolf Island Arctic station, was sentenced this week in Moscow to twenty years' imprisonment for disrupting radio communication at the time Sigismund Levanevsky and five companions were on their ill-fated attempt to fly over the North Pole to America in August, 1937, and during the period when rescue expeditions were being organized.

John V. L. Hogan, of New York, was granted a construction permit this week for a new experimental high frequency broadcast station to operate on 41200 kc., with 1 KW power.

A $1,500,000 suit charging patent infringement was filed in United States District Court Friday against the Radio Corporation of America by the International Carrier Call and Television Corporation. The complaint alleged Radio Corporation had willfully violated a patent of a new two-way intercommunicating system for power circuits owned by the International Carrier Call and Television Corporation.

The District of Columbia Fire Department will not get its experimental two-way radio transmitting set in the top of the Washington Monument. Charles Peters, General Manager of Buildings for the National Park Service, who is in direct charge of the memorial shaft, said he would follow the wishes of the Washington National Monument Society that permission to install the set be refused.

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ZENITH REPORTS RECORD SALES FOR NINE MONTHS

Zenith Radio Corporation reports a consolidated operating profit for the first nine months ended January 31, 1939, of its current fiscal year, amounting to $1,030,057.85 after depreciation, excise taxes and liberal reserves, but before Federal income taxes, as per the company's books, according to Hugh Robertson, Vice-President and Treasurer.

"Sales of units for the period were the highest in its history, exceeding the previous high for the same period by a very substantial margin", he said. "Shipments for the month of February will exceed by more than 100%, in both dollars and units, that of any previous February in the company's history. Distributors' sales of units to date this fiscal year are approximately 50% ahead of the same period a year ago.

"Factory inventory is unusually low, (Goods are being shipped approximately as fast as produced) and commitments for work in progress are practically all covered by distributors' orders for shipment during the balance of February and the month of March. Distributors' inventories are one-half of that a year ago and represent only two and one-half weeks' supply at the current rate of sale.

"The company's unusual progress during the past two months and the promising outlook for the balance of the current fiscal year is due, in a measure, to the introduction of the new Zenith Wavemagnet receiver which requires no batteries, no ground, no antenna and operates on either 110-volt AC or DC current. In addition to its high degree of portability it is practically free from man-made static.

"The factory has operated continuously during the year and for the past three months, as well as at present, has given employment to more people than in any like period. Production will start on the new line of receivers for the coming season just as quickly as present orders can be completed and shipped. There will be no carry-over stocks at the factory and it is expected that distributors' stocks of the current line will be completely exhausted by the time shipments of the new line go forward.

"The company is at present in unusual liquid condition. All current obligations are being discounted, there are no bank loans or bonded indebtedness, all lands, buildings and equipment are paid for and cash balances in excess of three million dollars are maintained in banks."

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ENGLISH TRANSLATION OF C.C.I.F. MEETING AVAILABLE

The unofficial English Edition of the French text of the proceedings of the XIth Plenary Session of the Comite Consultatif International Telephonique (C.C.I.F.) in Copenhagen, June, 1936, has been translated by the technical staff of our associated company, International Standard Electric Corporation, a report from the International Telephone and Telegraph Corporation announces.

The form of the present translation differs from that of previous years in that, for the most part, only the changes and additions to the previous volume (1934) resulting from the Copenhagen decisions, have been given. A large portion of the recommendations and information contained in the 1934 edition still remains in force, and it has been thought to be more convenient to deal only with corrections and additions to such existing material. An exception to this method will be found in the section dealing with Protection, where because of the complete re-arrangement and re-numbering of existing recommendations and the numerous changes which have been made in the 1934 text, it has been found to be more practical to publish the complete new text. Part I of the volume is therefore a direct translation of Volume II-bis (Protection) of the 1936 French edition of the C.C.I.F. White Book.

In order to coordinate the present volume with the 1934 English edition and the corresponding 1934 and 1936 French texts, a complete index has been prepared which not only indicates where recommendations and information relating to a given subject may be found in both the English and French volumes, but also indicates whether the corresponding recommendations or information are new, are a modification of the previous text or are maintained as in the 1934 edition without change.

An appendix summarizing the more important recommendations of the Oslo meeting of the Technical Commissions (June-July, 1938) has been added to the present volume for reference purposes.

Copies of this English translation may be secured from the Technical Department of the International Telephone and Telegraph Corporation, 67 Broad Street, New York, N. Y., at a nominal cost of $2.50 per volume.

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CROSLEY 1938 PROFIT IS $84,901

Crosley Corporation, of Cincinnati, this week reported net profit of $84,901 for 1938, after depreciation and Federal income tax. This was equivalent to 16 cents a share earned on outstanding capital common stock. In 1937 the corporation lost $376,915, including flood and fire loss of $343,314.

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RCA ISSUES DIVIDEND UPON PROFITS

David Sarnoff, President of the Radio Corporation of America, has announced that a quarterly dividend on the outstanding shares of the Corporation's $3.50 Cumulative Convertible First Preferred stock, and a quarterly dividend on the outstanding shares of "B" Preferred stock, were declared at the regular meeting of the Board of Directors.

The dividend on the First Preferred stock is 87½¢ per share, and the dividend on the "B" preferred stock is $1.25 per share.

These dividends are for the period from January 1, 1939, to March 31, 1939, and will be paid on April 1, 1939, to stockholders of record at the clost of business March 8, 1939.

The nineteenth annual report of the Radio Corporation of America shows gross income of $99,968,109 and a net profit for 1938 of $7,412,072, equivalent to 30 cents a share on the outstanding common stock. Net profit in 1937 was $9,024,858, or 17.9 per cent more than last year. After payment of dividends the corporation closed the year with increases in its working capital, cash and surplus as compared with the preceding year.

During the year RCA stockholders received $5,993,466.82 in dividends. This included regular quarterly dividends on preferred stocks and a dividend of 20 cents a share paid to holders of common stock. The company paid off all its serial notes, amounting to $456,526 and reduced its bank loans by $2,400,000.

Earned surplus at December 31, 1938, was $19,061,504 as compared with $16,528,905 at the close of 1937. Cash on hand amounted to $16,877,396, compared with 15,103,295 at the end of the preceding year. Out of cash funds $3,000,000 has been used in 1939 to further reduce bank loans, due in April, 1941, which now stands at $5,000,000.

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As a result of a relaxation of the restrictions on the operation of amateur short wave stations, the number of such stations in Switzerland has increased, the Commerce Department reports. At present 101 amateur stations are in operation, 75 percent of the operators being members of the Union of Swiss Short Wave Amateurs. Amateurs use mostly home-made transmitters, the receiving units being of American origin. Members of the Union of Swiss Short Wave Amateurs are allotted import contingents for their own requirements on the same basis as licensed radio dealers.

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MRS. CROSLEY DIES UNEXPECTEDLY IN FLORIDA

Mrs. Gwendolyn Aiken Crosley, wife of Powel Crosley,Jr. radio and baseball executive, died unexpectedly Saturday at their Winter home in Sarasota, Fla. She was 48 years old. She had accompanied her husband to the airport on Friday when he left for Cincinnati. With Mrs. Crosley when she died was her daughter, Mrs. Martha Page Jennings.

Funeral services were held Tuesday afternoon in Cincinnati. A floral offering was sent by Bond Geddes, Executive Vice President of the Radio Manufacturers' Association, of which Mr. Crosley is a Director.

The Crosleys were married in 1910 at Muncie, Ind., where the present President of the Crosley Corporation and of the Cincinnati Baseball Club Company, was stationed briefly as manager of an automobile distributing firm.

Mrs. Crosley was a daughter of the late Walter H. Aiken, for many years Supervisor of Music in the Cincinnati schools. Also surviving are a son, Powel Crosley, 3d, two brothers, Walter Avery Aiken and Victor A. Aiken of Richmond, Ind., and four grandsons.

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TELEVISION COVERAGE LIMITED, SAYS FARRIER

While tests indicate that television will be a better advertising medium than radio, it will never achieve the nationwide coverage that radio has, C. W. Farrier, television coordinator for the National Broadcasting Company told the luncheon meeting of the New York Chapter of the American Marketing Association at the Hotel Roosevelt in New York City last week. The main problem in commercially sponsored television, he said, will be the costliness of programs.

Mr. Farrier prointed out that it would cost $1,000,000 a year to broadcast a one-hour show daily. Since the network possibilities of television are still none too good, either by the use of coaxial cables or by a relay system of antennae, market coverage would not be adequate to warrant the expense, he said. To link the ninety-eight major markets, or those with more than 100,000 population, by coaxial cables would require an initial expenditure of $113,000,000, he pointed out, and even then only 250-line pictures could be transmitted. Use of directional antennae would be cheaper, however, he said. Mr. Farrier also pointed out that the television show cannot be patterned after motion pictures, as it was found that regular features are too long and that comedy does not go over well with a small home group, because of lack of mass stimulation.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1103

TUG-OF-WAR BETWEEN CONGRESS AND F.D.R. AHEAD

With opposition to the McNinch-Wheeler plan for abolishing the Federal Communications Commission and setting up a three-man agency rapidly becoming more articulate, the fate of the reorganization measure is decidedly uncertain at this stage.

Administration spokesmen, however, have hinted that President Roosevelt will take an active part in promoting the plan when he returns to Washington Saturday. As Congress so far has indicated a hostile or indifferent attitude toward the legislation, it appears that another tug-of-war between the Chief Executive and Congress is in prospect.

Chairman Frank R. McNinch, who drafted the Wheeler Bill, is said to be determined to go ahead with the plan, despite even the sudden change in the attitude of Chairman Wheeler, of the Senate Interstate Commerce Committee. Senator Wheeler, at first avowedly intent upon rushing the legislation, apparently has lost much of his enthusiasm for it and is said to be agreeable to compromises.

So far no hearings have been scheduled although Administration leaders are urging all committees to report out whatever legislation they wish to have enacted this session so that plans for an early adjournment may be made.

Meanwhile, there were other reports current that President Roosevelt plans to get behind legislation for the authorization of a Pan American short-wave station in Washington and to urge divorcement of newspapers and radio by writing in a policy for the FCC or its successor to follow in handling applications for broadcasting facilities from newspapers.

Congressional committees last year turned down flatly the Pan American station bills last session after brief hearings, and there has been no move to revive them since, except by the authors. However, a special inter-departmental committee headed by Chairman McNinch has been expected to file a report with the President for several weeks making recommendations as to how best the United States may improve its relations with Latin American countries via radio.

At one time it appeared that the Committee would suggest that the Government continue its cooperation with private short-wave stations by sponsoring special programs of good will. However, it is known that many presidential advisors, including

Secretary Ickes, believe the Government should have its own station. He already has a well-equipped studio in the Interior Department.

The idea of restricting newspaper ownership of radio stations is not new. But this week reporters covering the White House stated that the President is considering recommending legislation to make it effective. Just how such a law, if passed, would affect the 200 newspaper owned stations now on the air is uncertain. It is doubtful that it would be used to deprive them of their licenses.

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McNINCH-CRAVEN FEUD FLARES INTO OPEN WAR

The long-smouldering feud between Chairman Frank R. McNinch and Commissioner T.A.M. Craven broke spectacularly into the open this week as the Chairman issued a statement accusing his colleague of making a "grandstand play of devotion to free speech and opposition to censorship".

Commander Craven, who first broke with Mr. McNinch last Fall when he opposed the Chairman's tactics in the FCC "purge", declined to comment on the matter, but he indicated he may have something to say later.

The McNinch outburst was occasioned by the play given by some newspapers to the Craven minority report on the handling of radio program complaints. Commissioner Craven had inferred that the FCC, in refusing to change its practice of holding stations to account for isolated program complaints, is continuing its policy of indirect censorship of radio, which is specifically prohibited by the Communications Act.

Despite the fact that Chairman McNinch stated that Commander Craven's report "attacked the intelligence, the integrity, and the motives of the other six Commissioners", it was understood that more of Commissioner Craven's colleagues were secretly with him than against him. The only precedent for Chairman McNinch's open attack on Commissioner Craven was his similar, though less formal, outbursts against Commissioner George Henry Payne.

Commissioner Craven, who has the support of the broadcasting industry in his opposition to the FCC's practice of withholding a station's license renewal upon the basis of a program complaint, made no attack on the FCC in his report other than to complain that the majority report it adopted instead of his recommendations did not go far enough.

Unwittingly, perhaps, the FCC Chairman admitted the Craven charge that the new procedure left things where they were before when he stated:

"No important change is made in the procedure for handling them (the program complaints) which has been in effect recently."

"Articles published in a limited number of newspapers today, especially one credited to the Chicago Tribune Press Service, thoroughly misrepresent the Commission's action on program complaint procedure on February 27", said Chairman McNinch. "They call for correction even though the publications are partly explained by the incitement of gratuitous, alarmist statements by Commissioner T.A.M. Craven in a one-man minority report. Commissioner Craven, by implication, attacked the intelligence, the integrity and the motives of the other six Commissioners, to execute a grandstand play of devotion to free speech and opposition to censorship.

"The simple fact is that the Commission adopted a report clarifying and formalizing the staff procedure for handling informal complaints and presenting them to the Commission. The report also lists the types of programs regarding which complaints are frequently made. No important change is made in the procedure for handling them which has been in effect recently. That is made clear by a release and by the full text of both reports, all promptly given fullest publicity by the Commission . . . .

"It is true that Commissioner Craven goes much further - miles further than was asked or expected in the Commission's direction to the Committee, which was 'recommending procedure to be followed in the handling of informal complaints against radio broadcast stations.' The Commission recognized this overstepping Monday in adopting the report of Commissioners Sykes and Payne instead of Commissioner Craven's report. No one voted for Commissioner Craven's report but himself.

"Commissioner Craven has much to say of the dangers of censorship. What if any actions of the Commission could he refer to? In the only two cases which have even been conspicuously attacked on this alleged ground - Mae West and 'Beyond the Horizon' - Commissioner Craven was a party to the actions.

"Commissioner Craven says in thousands of words that he favors avoidance of censorship, free speech, due regard for the authority of other Federal agencies, full discussion of political questions, and privately owned and competitive broadcasting. Who doesn't? A committee report to his associates on 'procedure' - not on policies - is hardly an appropriate setting for a stump speech and flag waving. And such treatment is highly unjust to the other six Commissioners."

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WIGGLESWORTH SEES DICTATORSHIP THREAT IN BILL

The charge that Chairman Frank R. McNinch of the Federal Communications Commission was seeking to set up a dictatorship of radio and communications in the "Corcoran-Cohen-McNinch" bill proposing a three-man Commission was made over a national network this week by Representative Richard B. Wigglesworth (R.), of Massachusetts.

The purpose of the measure, he asserted in an address over the Mutual Broadcasting System Wednesday night, is to eliminate minority opinions and to evade a Congressional investigation of radio. He predicted that the legislation will not be enacted into law.

Charging that the measure constitutes a sinister threat to freedom of the air, freedom of speech, and freedom of religious worship, Congressman Wigglesworth said that it would give the Chairman autocratic powers.

Pertinent excerpts from the address follow:

"I am opposed to enactment of the proposed bill at this time because, in my judgment, it constitutes a challenge to freedom of the air. I am opposed to it also because I believe it is advanced at this time in the hope of concealing from Congress and the country facts which they are entitled to know and because I believe and have long believed, that a thorough-going investigation of broadcasting and its regulation under the Federal Communications Commission should be conducted with a view to obtaining all the facts before any new legislation is enacted."

"Its espousal by Chairman McNinch is startling in the light of his statement in 1937 when he said 'the aggregate wisdom and judgment of seven minds is surely greater than any two or three of the seven.' Contrast this statement with his statement three weeks ago over this network after some sixteen months of experience when he said, 'the bigger the Commission the less effective and the less efficient it is apt to be. In my opinion the best way to guard against these faults and weaknesses is to put both the power and responsibility for regulation in a small group'. This statement seems to have been inspired by the fact that certain members of the Commission have consistently insisted on voting as their conscience has dictated and refused to act as rubber stamps. Sincere differences of judgment and minority of opinions are apparently not welcome in dictatorial fields."

"The Corcoran-Cohen-McNinch bill, if enacted into law, would bring the Federal Communications Commission, a quasi-judicial agency, in large measure under Executive domination, a proposal embodied in general terms in the original Government reorganization bill a year ago which excited such condemnation by

the American people. It would arm the Executive branch of the government with almost complete dictatorial power in this vitally important field in American life."

"One further word in reference to the terms of the proposed bill. Chairman McNinch in his broadcast has referred to it as 'a new communications program'. The fact is that the bill as drafted proposes no new program whatsoever. On the contrary it specifically provides that the 'provisions of the Communications Commission Act of 1934 as amended shall continue in full force and effect and apply to the Commission and the members of the Board to the same extent as said Act is now applicable to the Federal Communications Commission and the members thereof'. Despite many questions of major policy which must be determined for proper regulation and which Congress has sought to determine over a period of years through the Federal Communications Commission, not one single recommendation for change in policy is embodied in the provisions of the proposed legislation.

"I have already indicated that I am opposed to the enactment of the proposed bill at this time for other reasons. I am opposed to its enactment because in the light of all that has transpired in recent years, it is impossible for me to escape the conviction that it is advocated at this time in the hope of concealing from Congress and the country facts and practices in the field of radio broadcasting regulation of which they should know. I am opposed to its enactment at this time because I believe as the bill itself emphasizes, that a thorough-going Congressional investigation of broadcasting and its regulation under the Federal Communications Commission is essential before policies can be defined and proper legislation enacted.

"For years there has been a rising tide of criticism and complaint directed at the door of the Federal Communications Commission. For years it has been subject to criticism for alleged sins of omission and commission. For years there has been apparent criticism by some members of the Commission of the actions and decisions of other members of the Commission. 'It is notorious' says Chairman McNinch, 'that for several years before I became Chairman of the Commission it was handicapped by dissension and division.' It was the general understanding that Chairman McNinch was appointed as a trouble-shooter, not as a trouble-maker, with a view to eliminating the basis for charges laid at the door of the Commission."

"I have not the time to discuss in detail the evidence advanced in support of the charge that the Commission has failed to eliminate private ownership or its equivalent in radio channels and has failed to eliminate undesirable trafficking in radio licenses. I may mention in passing, however, that in tables furnished to Congress by the Federal Communications Commission showing the transfers of radio licenses in recent years, there will be found instance after instance of transfers for a consideration far in excess of the replacement cost of the radio station transferred. Other instances will be found of the transfer by lease

for period far in excess of the original license, limited by law to a maximum of three years. All these transfers were under the control of the Commission.

"One striking case of this character is afforded in the transfer of Station KNX, Los Angeles, to the Columbia Broadcasting System. The replacement value of the station amounted to $217,000. After the deduction of accounts receivable, cash and good-will, the value of the physical property amounted, I am told to about $63,000. The consideration paid for the transfer amounted to $1,250,000 or about twenty times the value of the physical property."

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WLW RETURNS TO 50 KW. POWER, CUTS RATES 10%

Refused a stay order in a dramatic special session of the U. S. Court of Appeals, Station WLW, Cincinnati, on Wednesday ended its five-year operation as the "Nation's most powerful station", its power being reduced from 500 KW. to 50 KW. by order of the Federal Communications Commission.

Simultaneously, James D. Shouse, General Manager of WLW, and Vice-President of the Crosley Corporation, announced a 10 percent reduction in advertising rates. This means a drop in the basic night hour rate from $1,200 to $1,080.

The Court of Appeals reached a decision Tuesday night, just a few hours before the FCC order denying WLW a continuance of its experimental license was due to become effective. After listening to arguments of Duke M. Patrick, attorney for WLW and William J. Dempsey, counsel of the FCC, the six Justices stated that the restraining order was denied.

The action concluded WLW's super-power broadcasts, which have been going over the air for nearly five years, and ended one of the hardest fought legal battles involving a radio station. Station WLW will continue to use 500,000 watts during the early morning hours over an experimental transmitter, W8XO, and has pending, along with a dozen other clear channel stations, an application for a license to operate commercially with 500 KW.

There is little likelihood, however, that the Commission will amend its rule to permit super-power stations to operate on a regular basis at this time, largely because of the Senate resolution which last session stated the body is opposed to such operation.

Just what recourse Crosley has in the courts now was somewhat uncertain this week. The action of the Court of Appeals dealt only with the plea for a stay order and does not bar WLW

from going ahead with its appeal from the FCC order. Moreover, Crosley could still appeal to the U. S. Supreme Court.

Decision of the court denying the petition for a stay brought an impasse in one of the most important legal contests between the radio industry and the FCC over the limitation of rights in the operation of experimental radio equipment.

Mr. Dempsey, representing the FCC, maintained the appeal from the Commission's denial was itself impotent, and that the Court of Appeals could not act to place itself in the position of granting a license to the station.

Second, Mr. Dempsey contended that the Court had no jurisdiction over any appeal from a denial of suxh experimental authorization, and could not 'even entertain' such an appeal.

A stay of execution, if granted, would, in effect, be tantamount to the Court's granting a license to the station, and this would not legally be within the statute of the Court's right, Mr. Dempsey argued. If it granted the stay, the Court would be acting as an administrative agent, not a judicial agent, he held.

Mr. Patrick presented Crosley's claims that:

1. The special authorization under which the station has operated for almost five years, and in which it seeks an extension, is no different than the license granted a regular radio station, insofar as appeal purposes are concerned, and therefore the corporation can legally "get into court" in the matter, and,

2. Once in Court, the corporation can ask the Court for any normal protective relief, such as a stay order, until the general appeal is finally acted upon.

Mr. Patrick claimed the experimental operation of WLW was for the good of radio "to make a contribution to the art of radio", and better to serve the listening public.

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NAB TO MEET IN ATLANTIC CITY JULY 10-13

The NAB convention will take place in Atlantic City, July 10-13 at the Ambassador Hotel, on the ocean front, it was announced this week by President Neville Miller, President of the National Association of Broadcasters.

The Executive Committee had authorized a transfer from San Francisco to the East, primarily because of the troubled legislative situation but also because smaller stations had complained. Preliminary plans already have been made with the Ambassador Hotel management for convention accommodations. Program details remain to be worked out.

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NAB HINTS IT PREFERS WHITE TO WHEELER PLAN

The National Association of Broadcasters, speaking for 406 of the Nation's 700 broadcasters, this week indicated it will support the White Bill for an eleven-man Commission as against the McNinch-Wheeler measure for a three-man agency.

Directors of the NAB, meeting in special session in Washington, discussed plans for fighting what they considered legislative threats of governmental censorship of radio and then issued a statement setting forth generalized opinions.

The broadcasters did not come out openly for or against either the Wheeler or the White bills, but they did state that they felt the Commission "should be large enough to dispel any doubt of the Government's desire for democratic regulation".

Asserting that the present system of broadcasting in the United States has operated in the public interest and should be continued, the NAB Directors added:

"We feel that there are certain principles which should serve as guides in formulation of public policy with regard to communications and broadcasting. These principles include the following:

"There must be effective recognition of the basic and fundamental differences between the functions, duties and responsibilities of a regulatory agency as they pertain to broadcasting and common carriers. Under the present law, the effort is made to provide regulation by the same agency for both. That, we feel, is an anomaly and has undoubtedly contributed to confusion within the Commission and criticism from without. Inherently there are difficulties in the effort of a single agency attempting to regulate such diverse types of industry. We believe that Congress should take cognizance of that diversity and make provisions for it in the set-up of the Commission. While we take no position as to the number of Commissioners, we do feel that the Commission should be large enough to dispel any doubt of the Government's desire for democratic regulation.

"There must be no censorship of programs. Congressional policy as expressed in the Acts of 1927 and 1934 has expressly forbidden censorship of radio programs and has undertaken to guarantee to the American people their right to be the final arbiters of what they shall hear, and by the same token, what programs shall be broadcast. The American people have been effectively their own censors; their own tastes have elevated the standards of radio and will continue to elevate them. The radio industry readily acknowledges that it is still in a developing stage, but we contend that it is not possible by any legislative fiat to establish taste or standards and we feel strongly that Congress does not desire to, and should not, depart from its established policy. Moreover, we feel that any proposal in legislation looking toward that result, should be defeated.

"There must be adequate recognition of the principle that the Federal Communications Commission, or whatever other Commission is created to regulate broadcasting, is an administrative agency functioning under specific mandate of Congress and in accordance with standards enacted by Congress. As the administrative agency executing the mandate of Congress, the functions of such board or Commission should be clearly expressed and defined and the rights, duties and obligations of the parties appearing before such Board or Commission should be more clearly subject to appropriate judicial determination by courts established for such purpose. Therefore, it is submitted that the appellate procedure in the existing act should be clarified.

"At present broadcasting stations are being overwhelmed by questionnaires, demands for information which obviously come from an atmosphere of common carrier regulation. Our feeling is that the continuation of the practice is not only harassing but also dangerous, in that it must inevitably lead to regulation of program content. The Association will and must oppose any proposal which gives legislative status to the practice.

"In accordance with these principles, the Directors of the NAB have requested the President of the Organization, Neville Miller, to appear before Congressional committees representing the Association."

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ELLIOTT ROOSEVELT TO ENLIVEN CHAIN INQUIRY

The chain-monopoly hearings being held by the Federal Communications Commission, which have been all but forgotten amid the controversy over reorganization of the Commission, cries of censorship, and the McNinch-Craven feud, may get some attention next week when Elliott Roosevelt, son of the President, takes the stand.

Young Roosevelt will testify on Tuesday as President of the Texas State Network, although he is also President of Hearst Radio, Inc

For the past two weeks regional network heads have occupied the stand. Among the principal witnesses have been officials of the Don Lee Broadcasting System and the Yankee Network.

John Shepard, III, President of the Yankee Network, whose case involving his two Boston stations is still before the Commission, explained his radio crusades and insisted that he was merely campaigning for better government.

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McLEOD BILL SEEKS 3-YEAR LICENSE MINIMUM

To remove the fear of political reprisals against radio station operators for dissemination of political views and news, Representative Clarence J. McLeod, (R.), of Michigan, Thursday introduced in the House an amendment to the Federal Communications Commission Act.

Under Congressman McLeod's Bill, stations would be granted licenses for not less than three years - the present maximum - as against the limitation of six months. The FCC in acting upon applications for renewals would be specifically barred from considering any political views expressed over the station or held by the operator of the station.

Should the Commission refuse a renewal of a license and the operator feel that the refusal was based on political motives, he would be allowed to keep his license pending an appeal to the decision to the District Court ofAppeals.

Representative McLeod, in introducing the bill said:

"This Administration or any political party which might be in power holds all radio broadcasting in a vice-like grip. Under the practice of granting licenses for only six months, the slightest whim or nod of a political bureaucrat can mean death to a station which has done no worse than to try to render a public service.

"The fear of reprisals is stultifying all broadcasting and has created an alarming system of indirect censorship. No political party should thus be able to prevent access to the air of those who have a legitimate message to deliver to the public."

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ROOSEVELT STATION CUTS OFF GARNER ATTACK

Radio Station KTAT, of Fort Worth, one of the key stations in Elliott Roosevelt's Texas State network, on Wednesday cut a preacher off the air while he was criticizing Vice President Garner.

The station announced it would not tolerate political programs "with the false front of religion".

The speaker was the Rev. John Lovell, paster of the Ranger, Tex., Calvary Baptist Church.

"As long as a bunch of bankers are for Mr. Garner, he will not make a good President", Lovell was saying. "If there's nothing else wrong with Mr. Garner, and I don't think there is . . . "

A studio announcer cut in with: "Circumstances beyond the control of this station prevent the continuance of this program."

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C O R R E C T I O N

Commenting upon an article "Philco First To Set Date for Television Debut", which appeared in the February 28th issue of this service, which was reprinted from the business section of the New York Times setting forth that Philco would endeavor to have at least a few receivers in stores for the opening of the World's Fair in New York on April 30th, Frank E. Mullen, Manager of the Department of Information of the Radio Corporation of America, writes as follows:

"I just noticed your story 'Philco First to Set Date for Television Debut'. Surely it can't be that you did not read our announcement made to the Radio Manufacturers' Association, October 20, 1938, that we expected to market receivers in the New York area May 1st?"

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CROSLEY TO HAVE OWN BUILDING AT N. Y. FAIR

The Crosley Corporation is now building and will occupy exclusively its own building at the New York World's Fair, Powel Crosley, Jr., President of the company, announced last week. It is the only Cincinnati company and the only exclusive refrigerator manufacturer in the country, it is said, to have its own building.

The cost of the building, which is centrally located on the Avenue of Communications near the Trylon and Perisphere, was placed at considerably in excess of $100,000 by Mr. Crosley. It will be constructed along modernistic lines.

In the building will be exhibited the complete line of Crosley products, including radios, radio-phonograph combinations, Shelvador refrigerators, washers, ironers, gas and electric ranges, Crosley Koldrink bottle coolers and Crosley Coolrest bed coolers.

One of the outstanding exhibits will be the Crosley Reado, the radio facsimile printer introduced by the Crosley Corporation in January this year. This new product will be in operation so that people visiting the exhibit may see it receiving printed words and pictures by radio. A facsimile transmitting unit will also be installed so that people may see how visual broadcasts are made. Engineers will be in charge to explain to questioners the operation of this new radio instrument.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

MAR 8 1939

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No. 1104

March 7, 1939.

SYKES TO QUIT FCC FOR PRIVATE PRACTICE

Judge Eugene O. Sykes, who is one of the original members of the Federal Radio Commission, is expected to quite the Federal Communications Commission as of April 1st to enter private law practice, it was learned this week.

Commissioner Sykes, who has been a figure in the regulation of radio since March 15, 1927, when he was appointed a member of the Federal Radio Commission by President Coolidge, is understood to have sent his resignation to President Roosevelt. He would not comment on the report, however, until some word comes from the White House.

Reports, also unconfirmed, are that Judge Sykes will enter the practice of law, specializing in radio cases, with a former General Counsel of the FCC. It is believed that he may be associated with Paul D. P. Spearman, now a successful radio attorney, although Mr. Spearman declined to comment on what may happen after Judge Sykes leaves the FCC.

Judge Sykes' resignation came somewhat as a surprise in view of rumors within the radio industry that he might be one of the members of the proposed three-man Commission advocated by Chairman Frank R. McNinch, if and when the FCC is abolished.

Although a veteran member of the Commission, who several times has been under Congressional fire, Judge Sykes was probably the most popular Commissioner with the broadcasting industry. He was at one time Chairman of the Broadcast Division of the FCC and was the most sought-after speaker at meetings of organized broadcasters.

His close association with Chairman McNinch in recent months has surprised some of his associates, but his popularity has continued undiminished.

Whether or not his resignation will have the effect of taking him out of any Congressional investigation of the FCC and the radio industry that may be ordered is conjectural. At any rate he will escape the full blast of any criticism that may be turned on the Commission, observers believe.

Judge Sykes, who came to Washington from Jackson, Miss., has several times represented the United States at international radio conventions and has served in varying capacities on the Commission itself. He was its Chairman for a period shortly before it was abolished to make way for the FCC. Thereafter he was Chairman of the Broadcast Division until it too was abolished by Mr. McNinch.

Currently he has been sitting as a member of the FCC Committee conducting the chain-monopoly investigation.

Before coming to the Commission, Judge Sykes was one of the South's leading lawyers. Coming from a family in which the practict of law was a tradition, he was at one time a Justice of the Mississippi Supreme Court.

After studying at St. John's College and the U. S. Naval Academy, Annapolis, he obtained an LL.B degree from the University of Mississippi in 1897 and began the practice of law in Aberdeen, Miss., where he was born. He was Democratic presidential elector-at-large from Mississippi in 1904.

He is a member of the Delta Kappa Epsilon fraternity, a Mason and an Elk, and a member of the Sons of Confederate Veterans.

Actually Judge Sykes was the first Acting Chairman of the Federal Radio Commission. Admiral Bullard, who was appointed Chairman by President Coolidge, was in the Far East at the time, so that Judge Sykes called the first meeting and functioned as Chairman until Bullard's return to Washington.

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NBC, MBS SALES RISE, CBS OFF FOR FEBRUARY

Time sales by the National Broadcasting Company and the Mutual Broadcasting System were higher for last February than for the corresponding month in 1939, reports disclosed this week, while the Columbia Broadcasting System fell a little short of its all-time record for February, 1938.

Gross expenditures by advertisers on the NBC networks showed an increase for the fifteenth successive month. Total for February was $3,748,695, an increase of 7.2 percent over February, 1938, when the total was $3,498,053. Cumulative total for the first two months of 1939 was $7,782,595, an increase of 6.7 percent over the comparable 1938 figure. That the February, 1939, totals are lower than those of the preceding month is accounted for by the fact of the three-day shorter month.

An increase of 9.2 percent in billings was reported for the Mutual Broadcasting System. Mutual's February 1939 billings totalled $276,605. The billings for February, 1938, were $253,250. Total billings for the first two months of 1939 were $591,683 representing an increase of 13.1 percent over the cumulative billings of the first two months of the previous year, when the total was $523,144

Gross billings to advertising agencies for the sale of time on the Columbia Network during February totaled $2,541,542. A year ago, when CBS was setting an all-time record for the first quarter of any year on any network, February grossed $2,680,335. The cumulative total for 1939 to date is $5,215,599.

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WHITE ASKS PROBE OF FCC AND CENSORSHIP

Senator Wallace White (R.), of Maine, on Monday introduced a resolution in the Senate calling for an investigation by the Senate Committee on Interstate Commerce of the Federal Communications Committee, complaints of censorship, and other phases of radio regulation.

The resolution reads as follows:

"Resolved, That the Committee on Interstate Commerce or a subcommittee thereof, as the committee may determine, is authorized and directed to make a thorough and complete investigation of:

"1. The acts, rules, regulations, organization, and policies of the Federal Communications Commission.

"2. Whether a censorship of communications has been practiced in the United States, the character and extent, and the principles which have been followed in the exercise thereof; whether the same has been exercised by the Commission, or has been influenced by other governmental departments, agencies, or officials or by licensees and against whom directed; whether broadcasting stations have been requested or influenced by the Commission or other governmental departments, agencies, or officials in any manner or degree to broadcast or to refuse to broadcast programs or parts thereof, or to permit or refuse opportunity for particular persons to broadcast; and in what circumstances, to what extent, and in what jurisdiction a broadcasting station shall be jointly or severally liable for words broadcast through its facilities, or by its officers or employees or whether stations shall be exempted from liability for words broadcast by its facilities.

"3. The terms for which radio licenses for all classes of stations shall be issued and, in particular, whether a minimum length of term shall be fixed by statute for all classes of radio stations.

"4. Whether a system of license fees shall be established, designed to produce sufficient revenue to meet the cost of maintenance of the Federal Communications Commission, or whether some other system of taxation for this specific purpose shall be enacted into law.

"5. The extent to which and the circumstances under which the ownership, control, management, or interest in more than a single broadcasting station has become vested in any person or group of persons; whether such concentration of ownership, control, management, or interest has come about through assignment of licenses, through leases, stock ownership, arrangements with respect to management, or by other means and devices, and whether such transfers of ownership, control management or interest in whatsoever form effected have been submitted to the Commission for approval and have received Commission approval or acquiescence;

and whether such arrangements have seemed to recognize a right in a license or a frequency other than specified in the terms, conditions, and time of the license and beyond statutory limitations.

"6. The extent to which broadcast stations are owned, controlled by, or are affiliated with newspapers or other publishing interests or by other media of information or entertainment, and the effect of such ownership, control, or affiliation upon competing newspapers not possessing such facilities and upon the public interest.

"7. The development and present facts concerning broadcasting networks or chains, including the effects of chain association upon the licensee's control of his station; the effect of chain operations upon the financial results and status of chain-affiliated stations and of independent stations; the ability of chain owned or affiliated stations to render a local service, both sustaining and commercial; the duplication of broadcasting programs through chain broadcasting; and the desirability of special regulations governing chains and stations engaged in chain broadcasting.

"8. The effects upon the broadcasting systems of the United States of the use of high power by broadcasting stations and whether there should be a limitation by statute or by regulation upon the power to be used; the experience of other countries in the use of super-power; and the effects of high power upon local stations and the service by them.

"9. The character and extent of information required of licensees of broadcasting stations by the Communications Commission upon the filing of applications for construction permits, licenses, modifications or renewals of licenses, or assignments thereof or at other times.

"10. Competition between communication companies in domestic service and competition between companies, both wire and radio, in communication between the United States and foreign countries; the financial results thereof to the competing companies; whether these results threaten the financial soundness of any of the companies, loss of employment, or other adverse effect upon labor; the efficiency of said companies; and in particular, whether the merger or consolidation of communication carrier companies within the United States and in the field of foreign communications should be permitted in the public interest; and if to be permitted, the terms and conditions thereof.

"11. Said committee is further authorized and directed to make a study of the policies and principles which should be declared and made effective in legislation providing for the regulation and control of communications by wire or radio, whether interstate or foreign.

"For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and to act at such times and places,

either in the District of Columbia or elsewhere, during the sessions, recesses, and adjourned periods of the Senate during the Seventy-sixth Congress; to require by subpena or otherwise the attendance of such witnesses and the production and impounding of such books, papers, and documents; and to administer such oaths and to take such testimony as it may deem advisable.

"Upon the conclusion of its hearings and study, or from time to time during the progress thereof, the committee shall report to the Senate the results of its studies and its recommendations as to legislation it deems advisable."

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SHEPARD LICENSES RENEWED AS CASE COLLAPSES

The Federal Communications Commission this week renewed the radio licenses of John Shepard, III, President of the Yankee Network, for the operation of his two Boston stations, WAAB and WNAC, after charges made by a disgruntled employee were withdrawn.

Mr. Shepard's stations had been operating with temporary licenses since the charges were filed early last Fall, and the FCC has conducted its investigation with the utmost secrecy. The employee in affidavits had charged Mr. Shepard with violation of several provisions of the Communications Act.

One of the charges was that Mr. Shepard had conducted a crusade over the stations in a local fight with politicians. Others involved provisions governing lotteries and the use of profanity.

The case proved too hot for the FCC from the first, especially after reliable reports became current that Thomas G. Corcoran was interested in quashing the charges. After postponing action several times, the FCC yesterday cancelled hearings and renewed the license on the ground that the charges had been withdrawn.

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UNLICENSED STATION OPERATORS ARE FINED

Following an investigation by Inspectors of the Federal Communications Commission of the operation of unlicensed radio stations in San Francisco, California, Edward Maleski and Edward Rittler were indicted for violations of Sections 310 and 318 of the Communications Act of 1934, as amended.

On February 28, 1939, Edward Maleski, following a plea of guilty, was sentenced in the United States District Court for the Northern District of California to one year probation and a fine of $100.00. The other defendant, Edward Rittler, also plead guilty to such unlawful radio operation and was to have been sentenced by the Court on March 2, 1939.

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FCC PUBLICITY SERVICE CONTINUED UNTIL APRIL 1

The Federal Communications Commission this week voted to continue the special publicity services of Marion L. Ramsay and aides under the direction of Chairman Frank R. McNinch until April 1 despite the fact that the Commission is rapidly running short of funds with no appropriation in sight.

Commissioner T.A.M. Craven moved to have the "study" concluded as too expensive, but he was over-ruled. Commissioner Case offered an amendment, which was adopted, to ask for Mr. Ramsay's report by March 15 but to continue his service until April 1.

Mr. Ramsay was hired at $7,200 a year upon the suggestion of Chairman McNinch following the "purge" of Franklin G. Wisner, who was paid only $4,800. He has since hired an assistant at $3,200. His task, under the supervision of the Chairman, was to study the publicity needs of the FCC and to make recommendations for a permanent set-up. His 90-day tenure has been extended twice.

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FCC REVERSED IN DENIAL OF C.P.

The Courier-Post Publishing Co.,a Missouri corporation, this week won its fight in the United States Court of Appeals of the District of Columbia, for a permit to construct a new radio broadcasting station at Hannibal, Mo., to operate on a frequency of 1310 kilocycles with a power of 250 watts daytime and 100 watts nighttime.

The Appelate tribunal reversed and remanded the case to the Federal Communications Commission. The company had appealed from the Commission's decision, which had denied its application for a permit to build the station.

The court held that the appellant has sustained the burden of proof that there is a public need for a local station in Hannibal and ruled that the finding by the Commission that public convenience, interest and necessity would not be served in granting the permit for a local station is "in law arbitrary and capricious".

The opinion was written by Associate Justice Fred M. Vinson, who, with Chief Justice D. Lawrence Groner and Associate Justice Justin Miller, heard the case.

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G.E. DEVELOPS NEW TELEVISION ANTENNA

A new type antenna, cubical in shape and radical in design, has been developed by General Electric's radio engineers for use in the company's new 10-kilowatt television station nearing completion in the Helderberg hills, 12 miles outside of Albany. This consists of eight hollow copper bars, each four inches in diameter and about seven feet, or one-half wave, in length, arranged so as to form a perfect cube.

The antenna is designed to radiate a horizontal polarized wave, carrying both picture and voice on the 4½-meter band, with good signal strength for a distance of 40 miles or more, or to the horizon.

"Literally this antenna will be a radio lighthoust atop the 1500-foot mountain, radiating a signal that will cover the entire Capital District of New York State", explained H. P. Thomas, engineer who created this unique antenna. "Hills will be the only interference. In this respect the radio waves compare to light waves; and where shadows would fall, were the antenna a light, there may be a weakened signal. However, I don't believe there will be any shadows deep enough to cause total dead spots for television reception within the 40-mile radius of the station."

Work is being rushed in the erection of the station. However, since considerable engineering investigation must take place before programs are broadcast, it probably will be early Summer before the station will begin its actual programs for public reception, according to the company's statement. The station has been licensed under the call letters of W2XB, with W2XH assigned to the low-powered 1.9 meter transmitter being built atop the studio building in the city of Schenectady, which will relay the programs out to the main transmitter, an aerial distance of 12 miles. Equipment is now being installed in the studio and it should be ready within the next two months for experimental tests.

Because of its ideal location atop a 1500-foot hill and the fact that it will radiate considerably more signal power than any existing television station in America, it promises to surpass any station in the country, both in range and reception strength.

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Recently the House of Commons Official Report stated that the British Broadcasting Corporation's capital expenditure incurred on television service up to September 30, 1938, less depreciation written off, was approximately £126,000 and that the revenue expenditure up to that date, including depreciation and program, engineering, and staff costs, was approximately £660,000.

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PORTABLE POLICE RADIOS COVERED IN NEW FCC RULES

Newly adopted revisions of the Emergency Service Rules of the Federal Communications Commission promise improved operation of police radio systems which now protect many millions of citizens against crime and other perils, the FCC stated this week.

The rules will affect police radio services of more than 650 of the larger cities, embracing the bulk of the nation's urban population, and services maintained by police forces of about half the States, the Commission announced today.

Specific provision is made in the rules for theuse of low powered portable and mobile transmitters which may be carried by a man on foot. This type of equipment is especially useful in hunting for criminals or lost persons in broken country where radiocommunication will permit serching parties to keep in constant touch with each other.

Clarifying changes made in the rules are expected to regulate more effectively the use of ultra-high frequency transmitters installed in police cars for the purpose of providing two-way radiocommunication with police headquarters. Use of these mobile transmitters has spread rapidly until more than 2500 are now in use by approximately 500 municipalities. Several cities have 70 or 80 of these installations. Two have signified their intention of placing more than 200 transmitter-equipped police cars in use by the end of this year.

Present installations are so arranged that upon lifting a hand microphone from the dashboard of the car, the transmitter is immediately turned on, enabling the officer in the car to talk at once with headquarters.

All calls made from headquarters may be acknowledged by each car equipped with a transmitter, removing any uncertainty as to actual performance of the assignment. Patrol car officers may call for an ambulance or other assistance in emergencies, when minutes are all-important.

By 1929 a considerable number of municipalities had requested police radio facilities so that it became necessary for the Federal Radio Commission to allocate eight frequencies in the band 1600 to 2500 kilocycles for this purpose. Later more frequencies were allocated to meet the growing demand and a nation-wide plan was adopted so that each section of the country might have its own frequency for use in broadcasting timely police items from a headquarters station to police cars. Sixty-seven channels are now available for police use.

Radio broadcasts to police mobile units are now so vital to the functioning of police agencies that the majority of police cars, motorcycles, and patrol wagons for large police departments are delivered factory-equipped with a suitably adjusted receiver.

While a large volume of police messages destined for mobile units originate at police headquarters, many messages originate in other municipalities or in other States. To meet this situation a point-to-point police radiotelegraph communication system was established. "Zone" and "interzone" police stations are licensed. Normally zone stations exchange police messages with similar stations within that zone, the boundaries of which usually coincide with State boundaries. Interzone police stations act as clearing agents for messages going from one zone to another.

In many instances officers in two-way equipped cars have noted suspicious incidents which upon being reported at once to headquarters led to the solution of crimes. Car crews also obtain through headquarters quick checks on the license tag number os suspicious cars, and in a chase, the patrol car may notify headquarters to dispatch additional cars to block all avenues of escape.

Police radio dates from 1921, when one of the large cities in the Midwest established a radio station in an attempt to broadcast police messages to several cars equipped with receivers. Inasmuch as the receiving installations were rather cumbersome and contained fragile tubes, it was several years before their use was extended. However, with the development of methods of reducing ignition interference as well as the inception of more rugged receiving equipment, it became apparent that radio might play an important part in the suppression of crime.

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BROWN TALKS ON RADIO ON GREAT LAKES

Commissioner Thad H. Brown, who has been designated by the Federal Communications Commission to have charge of the Great Lakes and Inland Water Survey, spoke Friday night at Ohio State University, Columbus, Ohio, over Station WOSU.

Discussing "Radio Communications on the Great Lakes", Commissioner Brown, who is both a native of Ohio and an alumnus of Ohio State University, spoke of the tremendous amount of commerce which is carried on by means of the Great Lakes. Pointing out that until the coming of radio, "a ship was a floating mechanism detached completely from the land it left behind" the Commissioner stated that the survey was being conducted to determine the radio requirements necessary or desirable for the protection of life and property on the Great Lakes and inland waters.

Hearings on the Great Lakes and Inland Waters Survey are to be resumed in Cleveland, Ohio, on March 6th. Congress has instructed the Commission to "report its recommendation, and the reason therefor, to the Congress, not later than December 31, 1939". Commissioner Brown will conduct the hearings in Cleveland.

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RADIO TELEPHONE RESEARCH PUSHED BY A. T. & T.

Notable progress is being made by the Bell Telephone Laboratories of the American Telephone & Telegraph Company in the study of radio telephone transmission, according to the annual report of the A. T. & T.

"Research in the field of radio telephone transmission", the report states, "has been pushed particularly in the direction of increasing the efficiency and reliability of transoceanic circuits in anticipation of the adverse conditions likely to obtain in 1940 and 1941 at the time of expected maximum effect of sun spot disturbance. Notable in this work is the single side band method previously mentioned and the development of a highly efficient adjustable directional antenna. One of these antennae two miles long is now being installed on the transatlantic route.

"Annihilation of distance as a barrier to telephony could not have been achieved except through the creation by research of new methods of wire and radio transmission which now make possible a complete mingling of methods for the best results in any particular service.

"Out of the radio work in 1938 and as a result of the interest in assisting in the improvement of civil and military aeronautics, came two noteworthy achievements. One was the development of an accurate instantaneous terrain clearance indicator by which the pilot is at all times apprised of his height above the ground. The other was the development of an aeroplane locator for use at ground stations. By dialing the frequency of the aeroplane radio, the airport operator may see on a map the direction of any aeroplane within range. These should be of great value in reducing hazard to planes in bad weather.

"Improvements in transmission are grounded in improvements in transmitters, receivers and other parts of subscribers' equipment and in the improved transmitting characteristics of circuits. The almost instantaneous establishment of any telephone connection, which has come about in the past few years, would be impossible were it not for improvement in the reliable functioning of switching and control devices - many of them entirely new - and in the development of efficient and economical transmission channels. Further, everything must be so reliable that operating methods dependent on reliability can be established.

"All these and numerous other major factors, however, would not be sufficient to give the people of the United States the kind of service they have at the price they pay for it, were they not reinforced by a very great number of other physical things all directed to the maintenance of reliable operation, to the elimination of extraneous interferences, and to long life. Essential are the developments of control signals and the like which enable trained operators to expedite and guard service in the interest of the user and of preventive maintenance appliances which enable the plant forces to detect and correct incipient troubles before they become hazards to service. These are the things the Bell Telephone Laboratories is maintained to do in addition to pioneering the use of the new things of science in the field of communication."

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TRADE NOTES

At its meeting last week the Board of Directors of the National Association of Broadcasters formally approved the establishment of a Bureau of Radio Advertising. The Bureau will undertake to (1) promote radio as an advertising medium, (2) serve as a clearing house for the collection and use of basic industry information and surveys of direct and indirect benefit fo commercial representatives of member stations, (3) establish closer relations with trade and advertising groups, and the trade press, (4) prepare proper material which can be used in sales presentations, dealer and distributor meetings, and in auditions.

Three 100-watt Minnesota stations, to be known as the Minnesota Network, will become affiliated with the National Broadcasting Company on March 6. They are KYSM, Mankato; KROC, Rochester, and KFAM, St. Cloud. Until the termination of NBC-affiliations with WWNC, Asheville, N.C., on April 1, and KOIL, Omaha, Neb., on April 29, NBC stations will total 173. WKBO, Harrisburg, Pa., was announced as the 170th affiliate.

The Federal Communications Commission has made public a letter to the Pennsylvania Shipping Company, of Philadelphia, Pa., granting the company's request for a waiver to allow the cargo vessel, S.S. ANTIETAM, to sail March 4 for San Pedro and return with a 50 watt transmitter, instead of the 200 watt transmitter required under the Ship Radio Telegraph Safety Rules. The Commission in granting a 30 day waiver noted that this cargo ship is certified by the Bureau of Marine Inspection and Navigation as "ocean-going, unlimited".

A radio sound-effects kit which may be used by "youngsters" of all ages in staging realistic radio dramas at home and an "electronic" kit for building a number of electronic devices are now being introduced by the RCA Manufacturing Company to the nation's toy buyers at their annual two-week "preview of playthings" in New York.

Effective immediately, WKBO, Harrisburg, Pa., will become the 170th affiliate of the National Broadcasting Company, as an optional station to the Red and Blue basic networks. Owned by the Keystone Broadcasting Corporation, the station operates on 1200 kc. with 250 watts daytime power and 100 watts at night. The 169th NBC affiliate, KSCJ, Sioux City, Iowa, already announced, joins the basic Blue Network as an optional station on September 24.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1105

FCC MORALE AT NEW LOW; WORK AT A STANDSTILL

Because of the uncertainty of the reorganization of the Federal Communications Commission and the bitter feud between Chairman Frank R. McNinch and Commissioner T.A.M. Craven the morale of the FCC and its staff has reached a new low.

Work of the Law Department and other divisions of the Commission organization has come almost to a standstill as employees have no assurance of jobs after the shake-up. Decisions of the Commission under the new set-up instituted by Chairman McNinch following the abolition of the Examining Division have been few and far between.

Meanwhile, members of the Commission are at the mercy of members of Congress who believe in taking advantage of the situation to promote the interests of their constituents.

Despite the fact that Chairman McNinch announced a year and a half ago that a "gold fish bowl" policy would be followed by the Commission and that all communications from members of Congress would be made public, members of the FCC are being annoyed daily with calls in persons and on the telephone. One Commissioner stated that never before in his experience on the Commission has so much pressure been brought to bear on individual Commissioners by politicians.

With the Wheeler-McNinch and the White reorganization bills lying idle on Capitol Hill and with no appropriation for the FCC in sight, the outlook for radio regulation is indeed bleak.

Observers believe that the only solution to the dilemma is a thorough airing of the whole FCC affair before a Congressional committee. Most members of the Commission feel that the White resolution is the answer.

Rumors that President Roosevelt will again take a hand in straightening out the muddle continue to circulate around Washington. With Judge Eugene O. Sykes due to step down after 12 years' service next month, broadcasters are wondering if that may now be just the beginning of a general exodus from the Commission.

The one big question mark in the minds of broadcasters, however, is whether or not Chairman McNinch still has the backing of the President. Senator Wheeler (D.), of Montana, has noticeably cooled toward the Chairman and his three-man plan, but so far there has been no definite indication from the White House as to the Chief Executive's attitude on the reorganization plan.

The recent outburst of Chairman McNinch against Commander Craven has served to muddy the waters more than ever although the reaction was far more unfavorable to the Chairman than to the dissenting Commissioner.

The frank criticism of FCC policies and some of Mr. McNinch's pet ideas by Elliott Roosevelt this week while testifying in the chain-monopoly investigation was little comfort to the Chairman although it was apparent that the President's son was speaking his own mind as a broadcaster rather than for the Administration.

The consensus of newspaper correspondents and even members of the Commission was that the lid was apt to blow off at any moment and that "anything may happen".

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RADIO CRITICS TO BE HEARD BY FCC NEXT WEEK

With the chain-monopoly investigation of the Federal Communications Commission nearing an end, the FCC committee next week will hear some critics of commercial radio after completing its inquiry into the regional network operations.

Appearances have been filed by the following persons and organizations:

American Civil Liberties Union, American Guild of Musical Artists, Inc., Norman Baker, Congress of Industrial Organization, L. L. Corvell & Son, Independent Radio Networks Affiliates, National Committee on Education by Radio.

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NEW STATION GRANTED NEWSPAPER IN ATLANTIC CITY

A construction permit for erection of a broadcasting station in Atlantic City was granted this week by the Federal Communications Commission to the Press-Union Publishing Company. The facilities granted are 1200 kc. with 100-250 watts power, unlimited hours.

The applicant publishes morning and evening newspapers in Atlantic City. The only other station in the resort city is WPG.

At the same time the FCC reaffirmed its grant of a construction permit to the Amarillo Broadcasting Corporation, Amarillo, Texas, by denying a rehearing plea by W. C. Irvin, of Amarillo.

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WHEELER PROPOSES PROBE OF TELEGRAPH INDUSTRY

Chairman Wheeler, of the Senate Interstate Commerce Committee, this week introduced a resolution for a Senate investigation of the telegraph industry, which comes under the jurisdiction of the Federal Communications Commission. The resolution reads:

"Whereas the telegraph industry plays an important role in the economic life of the Nation and is an arm of the national defense; and

"Whereas the telegraph industry is in a precarious financial and economic state and the corporations engaged in such industry are possibly contemplating a merger or consolidation which would result in the creation of a monopoly detrimental to the public, the industry, and labor: Therefore be it

"Resolved, That the Committee on Interstate Commerce is authorized and directed to make a thorough and complete study of the telegraph industry in the United States, including the economic conditions of the telegraph carriers, their relation to corporations engaged in other forms of communications, and the tendencies toward consolidation and monopoly in such industry. The committee shall report to the Senate as soon as possible the results of its study, together with its recommendations for the enactment of any remedial legislation it may deem necessary for the best interests of the public, the industry, and labor.

"For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places, either in the District of Columbia or elsewhere, during the sessions, recesses, and adjourned periods of the Senate in the Seventy-sixth Congress; to employ such experts, and clerical stenographic, and other assistants; to require by subpena or otherwise the attendance of such witnesses and the production and impounding of such books, papers, and documents; to administer such oaths; and to take such testimony and to make such expenditures as it deems advisable. The expenses of the committee, which shall not exceed _____, shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman."

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The Australian Broadcasting Commission, in its sixth annual report, for the year ended June 30 last, estimates that there are now wireless receiving sets in 65 percent of the dwellings throughout the Commonwealth. On June 30 there were 1,057,911 licenses in force, which raised the percentage of licenses to population to 15.40, compared with 13.78 in the previous year. Australia still holds sixth place in the world in the percentage of licenses to population.

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ELLIOTT ROOSEVELT RAPS FCC "CENSORSHIP"

The voice of youngElliott Roosevelt, son of the President and a broadcaster in his own right, this week was added to the growing cries against indirect censorship of radio by the Federal Communications Commission.

Appearing before the FCC chain-monopoly hearing for parts of two days, Mr. Roosevelt complained against the six-months license period, the insecurity of the broadcasting business, and objected to the suggestion that a "bureau of standards" be set up as a yardstick for programs.

Mr. Roosevelt said that "a censorship of fear" exsits in radio. He told the FCC that radio, "for the good of free speech and private initiative" in this country, "needs a law that will allow a broadcaster to operate without fear, even though his worst enemeny administers it".

The present requirement that radio stations renew their licenses every six months, Mr. Roosevelt said, "tends to act as a restriction upon free speech".

"Free speech, generally speaking, is enjoyed only in America", he went on. "The totalitarian States have not only a controlled press, but a controlled radio, and this trend is to be feared in America. This censorship may be unintended. It is none the less real."

On the second day, under questioning by Chairman Frank R. McNinch, the President's son said he had not meant to charge the FCC with exercising censorship but had intended to point out its potential danger.

Instead of requiring stations to make periodical license renewals, although he said it mattered little whether the period was every six months, as required by the FCC, or every three years, the maximum allowed by the Communications Act, Mr. Roosevelt urged:

A certificate permitting a station to continue so long as it operates for the public good. Such a certification would be revokable for cause.

Mr. Roosevelt is President and Chairman of the Board of the Texas State Network, Inc., and head of Hearst Radio, Inc.

Because of thelicense renewal and station sale regulations, he testified, radio had been unable to obtain financing from banks.

"Because of the uncertainty of continued operation", he said, "no bank could justify a loan.

"As a result, the people who went into radio were those willing to gamble rather large sums of money."

Chairman McNinch, chief questioner, asked the witness what "threat" there can be if the Commission denies license renewals only in "extraordinary cases".

Mr. Roosevelt replied that this fact makes no difference to bankers so long as operators must make regular renewals of licenses and are not allowed to place any value on the license.

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SUB-COMMITTEE NAMED ON LIQUOR ADVERTISING BILL

Chairman Wheeler of the Senate Interstate Commerce Committee, announced this week the appointment of a sub-committee of Senators Andrews of Florida, Johnson of Colorado, and Gurney of South Dakota to consider S 517, "a bill to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by radio, and for other purposes", introduced by Senator Johnson of Colorado.

The purpose of Senator Johnson's bill is to prohibit any advertisement of, or information concerning, any alcoholic beverage, such advertisement or information is broadcast with the intent of inducing the purchase or use of any alcoholic beverage.

The Federal Alcohol Administration in each of their yearly reports have recommended that the Congress take such action. Senator Johnson says he is hopeful of getting action on his bill at this session of Congress.

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INTERFERENCE ERADICATORS GIVEN AWAY IN COPENHAGEN

The Danish State Radio Monopoly is now in a position to offer Copenhagen listeners, gratis, suppression of motor noise radio interference through a grant of 50,000 crowns in the last budget, according to the American Commercial Attache, Copenhagen. Hitherto the listeners themselves were obliged to meet the expenses incurred in suppressing interference by motors, etc. installed prior to 1931, the effective date of the current radio law. In the future all work in eliminating sources of interference will be done free of charge by the radio authorities.

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NBC ISSUES COMMERCIAL TELEVISION BOOKLET

The National Broadcasting Company has mailed the first booklet dealing with television exclusively from an advertising standpoint to more than 5200 advertisers and agencies throughout the country. The booklet, compiled by E.P.H. James, NBC Sales Promotion Manager, is called "Television in Advertising", and summarizes the present status and future of television as an advertising medium. Also being mailed at the same time is another booklet called "RCA Television", which contains a short history of television development and a condensed description of the RCA electronic system.

The points covered in the booklet of particular interest to advertisers are: (1) That the cost of production remains the greatest problem to be solved, and in any event will, on the average, exceed that of present sound broadcasting; (2) that NBC, while not planning any immediate sale of time, is following the policy of creating as much program variety as possible in order to build up a fund of experience of future value to advertisers; (3) that the addition of sight to sound will give more than twice the flexibility of present day sound broadcasting for commercial purposes and can be expected to be many more times as effective in actual sales appeal, and (4) that for more than four years NBC has employed special observers whose task it has been to watch and chart the development of television in relation to its possibilities as an advertising medium.

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U. S. RADIO SET SALES ABROAD FALL IN JANUARY

Sale of American-made receiving sets abroad, which aggregated 55,000 units valued at $1,271,674 in December, dropped to 35,081 sets valued at $808,842 for January of this year, the Commerce Department reports. Foreign sales of receiving set accessories, recorded at $32,299, reached the lowest point in more than a year. Sales abroad from the United States of "radio receiving tubes" and "receiving set components" classifications decreased from a value of $368,362 to $156,355 and $535,276 to $265,461, respectively. Exports of "transmitting sets, tubes and parts" also decreased from the December figure of $304,196 to $165,225 for January.

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DENIES NAZIES DROWN U. S. WAVES IN PUERTO RICO

Reception of American broadcasting stations in Puerto Rico is not hampered by Nazi or other European transmissions, according to first-hand advice received by S. T. Thompson, of the Zenith Radio Corporation, Chicago, despite a statement to the contrary by the Rev. Jarvis S. Morris, President of the Polytechnic Institute of Puerto Rico.

The Rev. Mr. Morris' statement was reported in the New York Times as having been made in a New York City church recently and was reprinted in the Heinl News Letter.

"I arranged with our Export Department", Mr. Thompson writes, "to communicate with a friend in Puerto Rico, and I think it only fair that we send you a copy of his reply so that you may see that the situation, insofar as German propaganda is concerned, is not universally the way it was reported by the Rev. Morris. It is quite possible that in an isolated case and with a receiver incapable of receiving short wave reception properly, he may have stumbled across a condition that disturbed him. Evidently it is not a general condition, and if it exists at all, is isolated."

In reply to Mr. Thompson's inquiry, Hijos de Ricardo Vela wrote as follows, in part:

"We have your letter of January 26th in which you want our comments in reference to an item in Heinl Radio Business Letter in which it is informed that according to the Rev. Jarvis S. Morris the Nazi Propaganda Broadcasts are drowning out educational programs from your country in Puerto Rico making almost impossible for radio listeners in Puerto Rico to tune in either local or United States stations. We wish to inform you that this is absolutely incorrect and that there is no interference from the German or any other European broadcaster with the transmissions from the local or U.S. stations. We have not heard absolutely any complaints from anybody here regarding this interference and the writer, who is an ardent radio listener, tunes every day the American programs day and night without interference from European stations. He has a Zenith radio in his home and nightly tunes in the principal programs from the U.S. short wave stations not only those directed to South America but also the principal programs from the Columbia and the National Broadcasting system with absolute regularity and clarity.

"During the daytime we can tune in on the American stations on 13, 16 and 19 meters with good volume without interference from other stations. The station at Bound Brook, New Jersey, W3XAL at 16 meters starts a program at 6 P.M. every day that is heard here with splendid volume and clarity without absolutely any interference, also during the night time the Columbia Broadcasting System with its stations W3XE and KDKA at Pittsburgh, Pa., both on 25 meters, are heard with very good volume and clarity transmitting the chain programs and programs directed to Latin America.

On 31 meters we have the Schenectady stations and also another station at Bound Brook in 30 meters. These are received also very well. The only complaint we would make against the U. S. is that they transmit too much in Portuguese when out of 20 countries in Latin America there is only one who speaks Portuguese. The best received European station here at night is the English station on 31 meters and it does not interfere with any other station. During the day time all U. S. short wave stations are received here with much greater strength and clarity than any European broadcaster, and is only during the night time that the English station on 31 meters excels the U. S. stations and these are on a par with the German stations as to volume and clarity.

"We know there is a movement in the U.S. to have the government erect a powerful station to counteract German propaganda and probably Rev. Morris' sermon was more of a propaganda nature than a desire to state the true facts, or maybe Rev. Morris does not have a Zenith.

"Of course, the German stations are very well received here, and there are many people, in Puerto Rico, just as in the States, that prefer to tune the German broadcast to any others, but this cannot be avoided, just as it cannot be avoided that others prefer and tune only Cuban, American, Italian, English or Spanish broadcasters."

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PORTABLE TELEVISION TRANSMITTER EXHIBITED

A portable television transmitter weighing about 450 pounds, developed by engineers of the Philco Radio and Television Corporation, which can be rolled about on wheels and used to televise either studio programs or outdoor athletic or news events, was demonstrated this week on the first day of the company's "All Year 'Round" convention at the Savoy-Plaza Hotel, New York City.

Standing about five and one-half feet tall and measuring about one-and-a-half feet in width, the apparatus, which picks up both sight and sound, can be moved easily by two or three men and is able to transmit over a distance of 150 feet under its present low power. Compact, in spite of its eighty-three tubes, it is made up of 12,000 individual parts, and is equipped with a battery of lights for use indoors, which are detachable. Only a plug-in to a nearby electric outlet is needed to place it in operation. A sound box is attached to the side of the transmitter and is adjustable to it, in much the same way a motion picture sound track is adjusted to a film.

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TRADE NOTES

The average price of radio sets in 1938 was 73 percent below the average 1929 price and radio tubes 50 percent lower, David Sarnoff, President of the Radio Corporation of America, estimates from reports in the trade this week.

A. D. Willard, Jr., General Manager of the Columbia Broadcasting Company's District of Columbia division said this week that the ace sports commentator, Arch McDonald, will leave Washington not later than April 1 to take up a similar assignment in New York.

NBC President Lenox R. Lohr has announced a new personnel training plan for Radio City guides and pages, designed to give them a more intensive preparation for careers in the broadcasting business. In addition to the inauguration of special classes and discussion groups, the plan will permit rotation of all junior employees on the guest relations staff in the various positions of the division.

More than a hundred manufacturers have contracted for over 130 booths in the National Radio Parts Show at the Stevens Hotel, June 14-17, which is sponsored jointly by the Radio Manufacturers' Association and the Sales Managers Clubs. The number of exhibitors, as well as the space contracted for, is ahead of last year's record, and the programs both for the RMA convention and the parts show are being prepared.

WNYC, New York City-owned transmitter, will serve hometown news to New York World Fair visitors this Summer through tieups with out-of-town newspapers. Local items will be condensed into a daily news report, with each paper given credit. It's tentatively titled "Your Home Town News".

The reduction in power of WLW, Cincinnati, from 500 KW. to 50 KW. has not affected a single account, according to James D. Shouse, General Manager of WLW and Vice President of the Crosley Corporation in charge of broadcasting.

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GERMANS DEVELOP TUBE TO COMPETE WITH U. S. IMPORTS

German scientists have developed a radio tube that promises to compete favorably with American imports, according to the office of the American Commercial Attache at Berlin.

At a recent meeting at Mannheim of the German Association of Radio Amateurs (Verband des Deutschen Amateur-Sende und Empfangs-Dientses) Professor Dr. Wesch of the Lenard Institute of Heidelberg read a paper on twn new types of radio tubes developed by this Institute, the report stated. Professor Wesch claimed that, apart from technical advantages, these tubes can be manufactured at a cost which would be in line with the present prices of American tubes and asserted that the new invention "would break the American radio tube monopoly".

Professor Wesch said both of the new radio tubes are so-called pentodes. The first of the two types represents an improvement of the universal tube EF 14 which can be put to many different uses and has wide possibilities of amplification. Its principal use will be for short wave amateur sets. It is also of importance as a power tube for broadcasting stations up to 100 watts and can serve as oscillation generator with back-connection with the controlling grid ("echo connection"). Owing to its construction it produces an absolutely silent oscillation with an efficiency of 70 percent.

Of still greater importance for amateur radio sets is the new "German Standard Sending Tube", Professor Wesch asserted. It presents the same advantages as the first tube and cen be used even for the smallest waves (down to 10 meters for amateur sets). Other characteristics are its very small dimensions and its extraordinary reserve capacity - 50 watts outgoing out of 75 watts reception. Its efficiency is 74 percent.

There is reason to believe, Professor Wesch asserted, that the new tubes will put an end to the dominant position of America in the world radio tube market. As the German industry will take no special profits according to Professor Wesch, it will be possible to produce the new tube, which will make its appearance in the German market early in the new year, at a cost corresponding to present American prices, quite apart from the fact that the quality of the new German tubes will be higher than the corresponding American product.

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Dear Miss Sprague:

There apparently is no No. 1106. That number apparently was skipped but I am sending March 14th issue in case you do not have that. We only get out the letter on Tuesdays and Fridays so you have not missed any if you have No. 1107.

Donna K. Lawrence
Secretary to Mr. Heinl

HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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no issue 1106

March 14,1939.

FOUR MORE WEEKS OF CHAIN-MONOPOLY QUIZ

Releasing a revised schedule of hearings in the chain-monopoly investigation, the Federal Communications Commission this week revealed that the inquiry will continue for at least four weeks more. This week the FCC is hearing critics of the radio system, including complaints from the Civil Liberties Union, the C.I.O., and Norman Baker, who lost his license several years ago.

The FCC Committee stated that next week it would begin hearings regarding so-called "lease" and "management" contracts and related matters.

Broadcast licensees and others will be called by the Committee to submit evidence with reference to contracts, agreements, and arrangements relating to the management, control, and operation of stations. The Committee will inquire particularly into the manner in which stations are operated so that actual operating practices may be considered in connection with contracts and arrangements entered into by licensees for station management, program production, and sale or lease of station time.

Licensees and others who will be called to present evidence include the following.

National Broadcasting Co., Inc.; Westinghouse Electric & Mfg. Co., (KDKA; KYW; WBZ; WBZA); General Electric Company (WGY); North Texas Broadcasting Co., KPLT); City of Camden (WCAM); John H. Stenger (WBAZ); Regan & Bostwidk (WQDM); The Associated Broadcasters, Inc. (KSFO); Columbia Broadcasting System, Inc.; St. Lawrence University (WCAD); Racine Broadcasting Corp. (WRJN); Loyola University (WWL); Moody Bible Institute (WMBI); The Cable Broadcasting Co., (WFBG); Cornell University (WESG); Monumental Radio Co., (WCAO); Baltimore Radio Show, Inc., (WFBR); James R. Doss, Jr., (WJRD); Educational Broadcasting Corp., (KROW); C. C. Morris (KADA).

Hearings relating to the ultimate ownership and the multiple ownership of broadcast stations will be held during the week of March 28th. Under the head of ultimate ownership the FCC Committee will receive evidence regarding ownership of stations which has been concealed or not disclosed fully. Multiple ownership is concerned with the ownership of two or more stations by the same or common interest.

Much information has been gathered on this subject from various parties including a number of brokers who hold stock in

corporations in the broadcast field often as nominees for other parties, and sometimes as nominees for other brokers who in turn are nominees for other parties.

During the week of April 4, the transcription phase of the broadcasting industry will be investigated, it was announced by S. King Funkhouser, temporary special counsel assisting in the investigation of chain and network broadcasting and monopoly.

Among those who are scheduled to appear are: the National Broadcasting Company, Columbia Broadcasting System, Mutual Broadcasting System, and Associated Music Publishers, Inc. Gerald King, of Radio Transcription Producer's Association of Hollywood, California, will appear before the Committee on Tuesday, (today), March 14, to enable him to return to California immediately.

The Committee plans to look into the use, availability and quality of transcription programs as well as their relation to advertising agencies and station representatives.

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AFA BAN ON WPA JOKES NOT APPLIED TO RADIO

Emily Holt, Executive Secretary of AFRA, and Ralph Whitehead, Executive Secretary of the American Federation of Actors, assured the National Association of Broadcasters last week that AFA's ban on WPA jokes would not affect broadcasting.

Many AFRA members also belong to AFA, the vaudeville and night club union. When AFA ordered its members to stop making any cracks about the WPA, there was some question as to whether AFA members would refuse to read radio scripts that included WPA jokes.

Mr. Whitehead joined Mrs. Holt, however, in saying that the rule applied only when AFA members were working in AFA territory, that is, in night clubs and vaudeville.

In AFRA's jurisdiction, actors took the scripts that were given to them, Mrs. Holt added. AFRA had no intention of making a similar rule, she said.

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SYKES RESIGNATION ACCEPTED; SUCCESSOR DOUBTFUL

President Roosevelt announced at his press conference last Friday afternoon that he would accept the resignation of Judge Eugene O. Sykes, veteran member of the Federal Communications Commission, as of April 1st, but he gave no hint as to whether or not he would appoint a successor.

Because of the pending legislation for reorganization of the Commission, it was believed unlikely that the President would fill the facancy immediately.

He is expected, however, to take a hand in expediting the reorganization very shortly.

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FCC ESTABLISHES POLICY ON HIGH FREQUENCY RENEWALS

The Federal Communications Commission last week announced a policy in regard to the consideration of applications for renewal of licenses of all the existing high frequency broadcasting stations. The Commission has licensed 49 high frequency broadcasting stations, all on an experimental basis. The licenses expire April 1.

The Commission set down three principles for its guidance in studying the applications for renewal. They are as follows:

1. When the applicant does not show that it has carried on any worthwhile experimental work during the last period, the application be designated for hearing.
2. If some work has been done, but of no great significance, then the licensee be informed of the work it must do during the next period and a commitment be obtained from the licensee before granting the renewal.
3. When the applicant has carried on a reasonably diligent experimental program and proposes to continue this work, a letter be prepared reviewing this course and making any suggestions for work that may be done during the next license period.

Of the 49 high frequency broadcasting stations licensed, 42 use amplitude modulation and 7 use frequency modulation.

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NEWSPAPER CONTROL ISSUE SET FOR HEARING

For the first time since the controversy over newspaper control of radio stations started, the Federal Communications Commission has set for hearing a clear-cut case before deciding whether or not an application should be rejected solely on the grounds that it would give a newspaper publisher control of all news dissemination in a community.

The FCC this week set for hearing the application of WSAN, Inc., and the Lehigh Valley Broadcasting Co., of Allentown, Pa., for the merger of the town's two stations, WSAN and WCBA, which now share time on 1440 kc.

The Law Department, after the customary examination, reported that there are no legal, financial, or technical obstacles to the merger. The only question at issue, it was explained, is whether a publisher, the Allentown Call Publishing Company, which owns the two local papers, should control the sole radio station as well.

The newspaper already owns WSAN, while WCBA is owned by a church, which wishes to seel the majority stock. Under the proposed merger, the publisher would own 65 percent of the stock of the consolidated station and the church or its minister 35 percent.

While the FCC in the past has favored the merger of stations sharing a single channel, the majority members balked at granting the Allentown application. Chairman Frank R. McNinch and Paul A. Walker openly expressed the view at the FCC meeting that the granting of the application would not be in the public interest.

Commissioners T.A.M. Craven and Norman Case voted against setting the application for hearing, while Eugene O. Sykes and George Henry Payne voted with McNinch and Walker. Thad H. Brown was absent.

The FCC stated that the action was taken "to determine whether the granting of the applications to consolidate two existing stations would result in, or trend toward, a monopoly in radio broadcasting and its immediate environs, and to determine if the operation of the stations by the Lehigh Valley Broadcasting Company would be in the public interest".

Commander Craven submitted a minority opinion in which he contended that the Commission has no authority under the Communications Act to deny a newspaper control of a radio station if all other conditions are met. He predicted, moreover, that if the FCC denies the pending application it will be compelled to reopen the cases of all of the 200 odd newspaper-owned radio stations.

The hearing will be held in Allentown, the FCC stated, "if the Commission's budget permits".

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FCC ENGINEERS SEE HOPE IN SUN SPOT STUDIES

As the radio services grow and congestion increases, due to the limited frequencies available, studies of the sun spot cycle offer great hope for the improvement of all radio services in the near future. Thes view was expressed this week by engineers of the Federal Communications Commission in reporting upon "sunspots" and their effect on radio wave transmission.

"Sunspot activity constitutes one of the most interesting and at the same time troublesome phases of radio today", a FCC release states. "The National Bureau of Standards, the Army, the Navy, and the Coast Guard are cooperating with the Commission in a continuous study on land and sea of the effect of the solar sunspot cycle on radio.

"Sunspots are no more than the name implies - dark spots on the surface of the sun which come and go. The number of these spots has been found to vary periodically over a period of 11 years. It is believed that these spots are the centers of violent electromagnetic eruptions or disturbances on the sun's surface. With the coming of radio, it was found that these periods within which violent outbreaks of sunspots occurred on the sun - often called magnetic storms - had a pronounced effect on radio transmission. In addition it was also determined that a certain correlation could be made between the general trend of radio transmission and the number of sunspots occurring throughout the 11 year period. It is this period which is called the solar sunspot cycle.

"High frequency waves such as those used for international broadcasting are always weakened, and sometimes blotted out completely for many hours or even days during the course of one of these magnetic storms. Radio engineers and the managers of radio stations are thus able, with the knowledge of the cycle or period of activity of magnetic storms, to choose their program time in advance in the case of international broadcasts, in such manner as to avoid, whenever possible, those times when interruptions to their service appear to be most likely.

"As the average number of sunspots varies in a regular manner over this period of 11 years and since there is a definite relationship between them and the transmission of radio waves, the importance and necessity of continuous experimental observations is readily understandable.

"The magnitude of the work involved is not so generally appreciated, however. In a survey made for broadcasting by the Federal Communications Commission in 1935, in which the radio industry cooperated, 58 field intensity meters were operated at 11 different locations in the United Stares for a period of six months. Over 4000 continuous 24-hour records of the field intensity of clear channel stations in the United States were obtained over some 500 different paths, varying in distance from 60 to 2700 miles. It took a staff of the Commission's Engineering Department over 6 months to make a statistical analysis of themost important part of

this data. In a more recent survey, made by the Commission for the marine service, data were secured on somewhat more than 100 vessels, and measurements of field intensity and noise covering another period of six months were made on a number of vessels on voyages throughout the world.

"The information obtained in this way is used by the Commission in assigning the frequencies and powers of broadcast stations and in fixing the minimum distances between stations operating on the same or adjacent frequencies. It is also used in prescribing the power of stations in the marine service in order that the statutes of law, enacted by Congress with respect to safety of life and property, will be observed by American vessels.

"This information is essential in formulating the standards of good engineering practice for all radio services and is of particular importance in the regulation of broadcasting and the safety services, such as marine, aviation, and police, where the interest and safety of the public are the Commission's chief concern."

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EXCERPTS FROM ELLIOTT ROOSEVELT'S TESTIMONY

Following are excerpts from the testimony given by Elliott Roosevelt, son of the President, before the chain-monopoly committee of the Federal Communications Commission last week, highlights of which were reported in last Friday's news release:

"There has been lots of loose talk about trafficking in licenses and the broadcasters realizing hugh profits from the sale of licenses. This talk, in my opinion, is largely engendered by a lack of appreciation of the difference between trafficking in licenses and the legitimate sale of the stations. I feel that trafficking in licenses would seem to me to take place in one of two ways, first of all, where a person secures a construction permit to build a station with no intent to construct or operate that station, and, secondly, those who seek to sell this right to others for a profit after securing the permit, or else where the man buys a station with no intent of operating it but for the sole purpose of disposing of the station at a profit.

"On the other hand, a legitimate sale of a station is where a person in good faith constructs and operates it or purchases and operates it and builds up the business on the station and then, through circumstances, is forced to sell the station. He may, for any number of reasons, wish to dispose of the station, and, say he has built up a business which brings him a substantial yearly profit, then if he is required to suffer a loss in disposing of the station because in the minds of some he might be trafficking in a license, he is really in a position where it is very difficult for many of us to feel that there is a real reason to build up a station because we don't know whether we are able to dispose of the

"After all, this is not the Commission's primary interest - rather I feel that it is the Commission's primary interest, and that is, insuring the people of the United States the best radio service which this country is capable of producing. If the buyer of the station can continue to render a high grade radio service and can improve upon that service I cannot see what difference it makes whether the station sells for a dime or for a million dollars, as long as you continue to regulate the buyer just as you do the seller, and make sure that the type of operation is such that it is in the best interest of the public.

"I don't know of a single industry of comparable size which is required to apply each six months for the right to continue in business. The railroads, for instance, and the airlines are given certificates of convenience and necessity which allow them assurance of continuation, and I feel that it has not lessened on their operations in any degree the regulatory authority exercised by the government over them in the mere fact that they have a vested right in the license or certificate that is given to them. The government can step in and take it away from them at any time that they don't operate in the public convenience and necessity.

"Over and above that, it is my feeling that if we were allowed to secure assurance of continued life so long as we operate in accordance with thelaw and the regulations of the Commission that we should be placed on a sound basis like every other business. We feel, and I know that it is the sentiment of most of the smaller radio station operators in the country - I can't speak for the larger stations because I don't happen to be in that end of the business - but I know that if we were allowed to be honest and place a direct valuation on the license which we have, which after all is the good-will and the type of operation which we build up in our community, if we can place a valuation on that and the banks can be made to see the investment possibilities that there are on radio, that it will go a long way toward making radio a very much better industry for the people of the United States as a whole.

"I feel that the Commission, as such, really could recommend to Congress that legislation should be enacted to give radio stations certificates to operate which are revokable upon showing that they have failed to operate according to the law and I also feel that the regulations should be clarified, more clearly defined as to what is failing in operation in the public interest, convenience and necessity. After all, I notice that in the Act there is the phrase, 'public interest, convenience and necessity", but I have yet to have it explained to me exactly what public convenience is in a radio station and I would like also to have somebody explain to me what the public necessity of a radio station is, outside of the educational and entertainment values, and religious and so forth values that we have in bringing messages directly into the homes of the people of this country.

"If the regulatory right of the United States Government is not diminished, what logical reason can be advanced for holding the radio industry under such a short lease of life? We should be made the most stable industry in the country if we are to be able to be worthy of the tremendous trust which is given to us when we are given such a tremendously important method of reaching the people and are told you must operate this on behalf of the people."

The following exchange took place:

Mr. Roosevelt,

The Witness: I should like to make this statement with regard to censorship. I believe that there is - although the Commission may not realize - a censorship of fear at the present time operating in the radio industry. That is largely regulated and exists because of a lack of knowledge of just exactly what can be done and can't be done in the way of radio broadcasting today. There are no set rules, and I believe that many stations are today fearful of what rights they actually have and do not have, that if they carry certain types of programs that they may be in danger of reclamation, in the form of possibly losing their license, if the Commission did not happen to think that that program was in the public interest.

Chairman McNinch: You are, of course, familiar with the fact that Section 326 carries this language, Mr. Roosevelt: 'Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.'

Do you not know that if the Commission should take any action that would be contrary to that section of the statute that the courts would very promptly give relief against it?

The Witness: Yes, sir, I believe that is true. I am merely stating what is the general feeling in the industry, that there should be a more clear definition of just what would be regarded as a program which is not in the public interest. Today, we have no laws in this country which protect the radio stations in any way; we have no libel laws which would enable us to be exempt from being subject to suit for what someone else says over our radio stations, and we are today in a position where we have to request copy in advance on political broadcasts, for instance, in order to make sure that there is nothing in there which is of a libelous nature which might hurt us. Yet, at the same time, we feel that actually that may be operating in the direction of an actual censorship of what is said, even though we have no clear definition of what is right and what is wrong that can be said over the air. And we have no limit of our liability for what the other fellow said.

Chairman McNinch: If exercised at all in the direction of censorship, that would be a censorship exercised by the station though, would it not?

The Witness: Yes, sir. I think though that there should be something in the law with regard to limiting the liability of radio stations for what might be said by someone departing from their script and making remarks over the air about an individual or group which were of a defamatory character and which could be construed as not being in the public interest.

Chairman McNinch: I am not prepared at all to take issue with you about that. But to do that, you would want some sort of limitation, would you not, put upon the power of the station in the selection of material?

The Witness: How is that, again, Sir?

Chairman McNinch: In order to afford you the protection against libel that you refer to, would you want a statute to put some limitations upon the right of the station management in the selection of its material that goes over the air?
The Witness: I believe that the station management should be required by statute to properly label all material that goes out over the air, and they should be held responsible for proper labeling. Once having done that, if someone then utilizes that air in a manner which is deemed as being libelous, I believe that then that person should be held liable and not the station itself.
Chairman McNinch: What I was inquiring about, and am very much interested in, is to know how better you would suggest that the prohibition of censorship by the Commission - not by the station - can be stated than in the emphatic language that is in the Act, when it denounces censorship, saying that there shall be no power, nor shall the Commission devise any rules or regulations which would interfere with free speech or amount to censorship? Can you add anything of substance or meaning to that statutory prohibition?
The Witness: Well, we feel this way; that the law is emphatic in its statement to a certain extent, but we do feel that there is, to a certain extent, the possibility that if a type of program should be broadcast which did not meet the approval of the Commission - that there still is a possibility and not that this Commission has ever utilized that power - through the power of taking away a license, the Commission could exercise a form of censorship.
Chairman McNinch: But the Commission has not, so far as you know?
The Witness: No, sir.
Chairman McNinch: Now, would you want to take the position that, regardless of the character of program material, the Commission in determining whether or not a station has been operated in the public interest during the preceding six months should be deprived of any power to say that programs had not been in the public interest?
The Witness: I believe that the Commission should primarily concern itself with seeing that nothing of a profane, defamatory, or unclean type of broadcast should get out over the air, and beyond that point, I do not think that the Commission should be particularly interested in the regulation of the type of program.
Chairman McNinch: Take your term "unclean" which is not in the statute - the statute denounces matters which are obscene, or vulgar, or profane, but you say "unclean".
The Witness: Well, that is merely another word for those three.
Chairman McNinch: Well, but is it? May not a thing be unclean in the estimation of the general public but not be vulgar, not be profane and not be obscene? May it not be suggestive, and so suggestive, as to be offensive to the whole public?
The Witness: I think that anything of a suggestive nature comes under the term of a vulgar type of program.
Chairman McNinch: But unless it did come under that, unless the courts would sustain it as being suggestiveness of a vulgar type, then the Commission would not have any authority under the present statute, according to your -
The Witness: I believe though that any court would sustain that.
Chairman McNinch: That is speculation. We often miss our guesses on what courts will do. But you believe that outside of those three categories, the station should be entirely free and should never be called to account for program material, if it is not obscene, vulgar, or profane within the meaning of the statute?
The Witness: Yes, sir, as long as it properly labels its broadcasts.

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TRADE NOTES

The Western Union Telegraph Company has agreed to file with the Federal Communications Commission the tariffs on inbound traffic from foreign countries. The company had previously refused to file such tariffs.

Gordon Selfridge, Jr., of Selfridge & Co., Ltd., blamed sponsored radio for the slow advance of television in the United States, in an interview in London last week with Richard Burbidge, Managing Director of Harrods, Ltd., during a Selfridge television program. Interviewed afterward, Mr Selfridge said sponsored television could not come until costs were reduced, and he hoped it would not come for some time, "otherwise we will all be broke."

The Federal Communications Commission has announced that a hearing would be called during the Fall of 1939 to correct the evils of the Alaskan aviation communication system and that all licensees and applicants for aviation service in Alaska would be made parties to this meeting. The Commission stated that on the basis of the population, which approximates 60,000, the air passenger traffic in Alaska is now 16½ times greater than in the United States. The keen competition resulting from the fact that the aeroplane represents the quickest and only reliable means of transportation during the Winter has made it impossible for the companies to organize an aviation communications system among themselves.

Ten new radios, three new types of portable air-conditioning units, and a complete line of Conservador refrigeration, together with a new line of dry batteries and auto radios, were announced by Philco Radio & Television Corporation at its Mid-Winter Convention at the Palm Beach, Fla., Biltmore Hotel on March 16, 17 and 18.

The Federal Communications Commission announced this week it had granted the few applications which have been made by broadcast licensees for extensions of time within which to file annual financial reports due from them on March 15, 1939. The extensions vary in length, in accordance with individual need. The reports affected cover the calendar year 1938. The Commission authorized that further applications for extensions be granted in individual cases for reasonable cause shown.

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ELECTRICAL TRADE PARLEY PROGRAM COMPLETED

The Department of Commerce has completed arrangements for a two-day "open house" for executives of the electrical goods manufacturing industry, to be held on March 30 and 31.

The conference, sponsored by the National Electrical Manufacturers' Association, is designed to acquaint this large section of the American industrial system with the research and trade promotion facilities offered to business by the Department of Commerce. It will be held in the Department of Commerce auditorium.

The electrical goods group embraces seventy major industries, producing products ranging from commercial radio equipment to turbine generators and household refrigerators. During 1938 it employed more than 250,000 persons, with the value of its products approximating $1,600,000,000.

The two-day conference will be opened Thursday morning by an address by Secretary Harry L. Hopkins. He will be followed during the course of the two days by 26 officials of the Commerce Department who will detail their various activities, especially as they pertain to the electrical goods industry.

The discussion of foreign trade, with which the industry is concerned to the extent of more than $100,000,000 a year in sales abroad, will be introduced on Friday afternoon with a preliminary statement by Assistant Director F. H. Rawls, of the Bureau of Foreign and Domestic Commerce. John H. Payne, Chief, Electrical Division, will outline the special services available primarily for electrical manufacturers and exporters. Other foreign trade services will be explained by the chiefs of the various Bureau divisions; Commercial Intelligence, Commercial Laws, Finance, Foreign Tariffs, and Foreign Trade Statistics. The chief of the District offices will then outline the services available to business in all parts of the country.

Copies of the program may be obtained from the National Electrical Manufacturers' Association in New York, or from the Bureau of Foreign and Domestic Commerce, Washington, D. C.

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MRS. FRED D. WILLIAMS, WIFE OF EX_RMA HEAD, DIES

Mrs. Fred D. Williams, wife of a former President of the Radio Manufacturers' Association and now associated with the Philco Radio & Television Corporation as its representative in London, died Sunday in Wayne, Pa., a suburb of Philadelphia. Mr. Williams was in London at the time.

Bond Geddes, Executive Vice President of RMA, sent flowers on behalf of the Association, to the funeral, which was held this (Tuesday) afternoon.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

RECEIVED MAR 20 1939

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No. 1108

MILLS WARNS THAT RADIO MAY BE DENIED MUSIC

As the Copyright Committee of the National Association of Broadcasters prepared to tackle the music copyright problem again at a meeting in New York, beginning next Monday, E. C. Mills, Chairman of the Administrative Committee of the American Society of Composers, Authors, and Publishers, charged the NAB with fostering ill will and State acts to hamper the copyright owners.

Asserting that the NAB "with characteristic stupidity and short-sightedness" is making the broadcasting industry "the goat", Mr. Mills said that "it is not conceivable that if the present policy and campaign of attack and vilification continues to be pursued, that when 1940 arrives the song-writers of America and the rest of the world will refuse to license the use of their works by any broadcasting station."

The statement by Mr. Mills came on the heels of enactment of anti-ASCAP legislation by two more States - North Dakota and New Mexico - and his return after a Western trip to battle such State legislation

"These bills apparently all had a common authorship - Andrew W. Bennett and his associates in the NAB", Mr. Mills said. "Nothwithstanding the often repeated assertion of NAB and its spokesmen to the effect that it does not sponsor or approve anti-ASCAP legislation in the various States, the fact remains that it does, more or less secretly, not only sponsor but financially support where necessary movements to introduce and enact such laws.

"Broadcasters generally, with an oily disregard for the facts, pretend that what they want is some sort of a law which will safeguard them from the commission of 'innocent infringements'. Therefore, they protest that if they can enact laws which will require ASCAP to file lists in the various States of all the compositions of which it controls the performing rights, they will then be able to refer to those lists in the offices of their respective Secretaries of State, and thus protect themselves against 'innocent infringements'. Of course, this is just hokum - because two years ago I offered every one of them, absolutely free of charge, a copy of The ASCAP Index, which covers every musical composition used by broadcasting stations and is being added to constantly so that now it is inclusive of all compositions used by broadcasters in the years 1934-1935-1936, as well as the complete record of all musical compositions copyrighted during 1937.

"The ASCAP Index covers not only works of which the Society controls the performing rights, but as well, compositions controlled by SESAC, AMP and independent owners not affiliated with any organization. Less than two hundred of the stations were sufficiently interested to accept The ASCAP Index and buy the filing cases in which to install it. Yet these same people who profess such an overwhelming desire for just exactly this sort of a record propose to duplicate in forty-eight States the records maintained in the office of the Register of Copyrights at Washington. They apparently care nothing for the burden thus to be placed upon the Treasuries of their respective States, and the whole plan of attack upon the part of the broadcasters seems to have as its objective the thought that ASCAP will be frightened, and at the end of 1940 will be so soft and pliable that the broadcasters can then dictate much better terms for renewal of licensing agreements than might otherwise be the case.

"With characteristic stupidity and shortsightedness, the NAB is proceeding in just exactly the wrong way - they are making the industry of broadcasting the 'goat' in that they are not only building up a tremendous ill-will upon the part of the songwriters of the whole world, but they are creating a public impression that what the broadcasters most desire is an opportunity to pirate and confiscate the music which is the vital essential to the successful operation of their commercial enterprises.

"Broadcasters in their propaganda in behalf of these State anti-ASCAP bills profess to be abused in that they 'pay ASCAP fees on programs which do not use ASCAP music'. Of course, this statement is utterly at variance with the true facts when, after weeks of discussion in 1932, NAB's Board of Directors approved this very formula and in 1935 approved and accepted a renewal of the same formula.

"It is not inconceivable that if the present policy and campaign of attack and vilification continues to be pursued, that when 1940 arrives, the songwriters of America and the rest of the world will refuse to license the use of their works by any broadcasting station. Broadcasters create no music and are parasites as far as music itself is concerned. What they do is to make purely commercial profits by capitalizing upon the music created by others and interpreted by the great artists. Unfortunately, spokesmen for the broadcasters and the leaders in that industry generally have seen fit to so resent the fact that the men and women who create the product most essential to their successful commercial operation demand to be paid fairly for the use of their material, that in their propaganda to State Legislatures they term these men and women, who are helpless and hopeless to protect themselves as individuals, 'racketeers' and worse because through collectively exercising their rights, they have succeeded in building an organization which is in a position to protect them.

"In not one single State where ASCAP has had a fair opportunity to present its case before committees to which anti-ASCAP legislation has been referred has the State subsequently enacted the hostile statute. Only where under the duress of 'railroading' tactics by broadcasters and political pressure brought to bear through threats of retaliation at future elections as to such State Legislators who did not support their cause have the broadcasters been successful in procuring enactment of these laws.

"At no time has ASCAP been in the slightest doubt as to the outcome nor is it in any doubt now. It does seem strange that an industry which enjoys a free franchise from the United States Government to utilize the air in such a manner as will earn for it a staggering annual income taken out of the pockets of the public by the advertisers should pursue such short-sighted policies. The broadcasters are ASCAP's best customers. The product which ASCAP's members create is a vital essential to their successful operation. Whether they like it or not, these two parties will have to get along.

"Songwriters today could not live without the income from radio. Radio could not live without the output of the songwriters. If it could, it would. And, if finally, in order to test the merits both in the public opinion and in the minds of the lawmakers and to the satisfaction of the broadcasters themselves, it becomes necessary for the songwriters to entirely withhold their product, the broadcasters will have only themselves to blame for a condition brought about as a result of their years of consistent and continued and amply financed efforts in the National Congress, through the Department of Justice and in State Legislatures to destroy the protective organization which the songwriters have created, and without the protection of which they would be helpless and hopeless to protect their lawful rights."

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PAN AMERICAN STATION BILL DEAD, SAYS VINSON

Despite rumors that President Roosevelt intended to promote legislation for construction of a Pan American short-wave station at this session of Congress, Chairman Vinson of the House Naval Affairs Committee, stated this week that the Celler bill is "pigeon-holed" for this year.

Although long overdue, there has been no indication, moreover, as to when the report of the Inter-departmental Committee studying the subject of U. S. Broadcasts to Latin America will be released. Chairman Frank R. McNinch, of the Federal Communications Commission, heads the Committee.

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FCC MAKES CHANGES IN HIGH FREQUENCY ALLOCATIONS

The Federal Communications Commission issued this week a report covering the allocation of frequencies throughout the radio spectrum from 30,000 to 300,000 kilocycles. The Commission also made public the table of allocations to the specific services.

In addition to announcing various changes in the allocation to these specific services, the report, by its terms, accomplishes the following:

1. Extends the outstanding instruments of authorization for frequencies above 60,000 kilocycles except those operating in the broadcast service (television, facsimile, relay, high-frequency and experimental broadcast) to October 1, 1939.

2. Provides that applications for renewal which are due to be filed on August 1, 1939, shall specify frequencies in accordance with the new allocation.

3. Provides that applicants for new instruments of authorization after the effective date of this order (April 13, 1939) shall request frequencies in accordance with the new table of allocations.

Broadcasting:

The allocation of frequencies above 30,000 kilocycles vitally affects several important broadcast services; namely, television, facsimile, relay, high frequency and experimental broadcast.

The action taken by the Commission with respect to television is in general accord with the action taken on October 13, 1937, in that the same 19 bands are reserved for television; however, three of the bands, namely, 162,000-168,000 kc., 210,000-216,000 kc., and 264,000-270,000 kc., may be used also for general or specific research and experimentation in the radio art along lines which are not specifically directed toward any established service. These stations will be required to vacate these bands if operation thereon results in interference to any television station.

The Commission believes that in order to permit television to be inaugurated on a nationwide basis a minimum of 19 channels should be reserved below 300 megacycles. This does not mean that the minimum number of channels allocated by this order will eventually provide channels for a completely competitive nationwide service. Undoubtedly additional channels above 300 megacycles or some rearrangement of the present plan will be necessary at a later date, the FCC stated.

"The action taken by the Commission is merely one step toward the development of the television service", it added. "The question of proper standards of design and operation are now being studied and will receive appropriate action with the least possible delay. All outstanding authorizations for television service are experimental."

In the band 41,000-44,000 kc., 75 channels are made available for assignment to aural broadcasting and facsimile broadcasting stations. Twenty-five of these channels have already been allocated to non-commercial educational broadcast stations. The revised order does not change the existing broadcast allocation in this band nor does it change the allocation to broadcasting on frequencies below 41,000 kc.

Order 19 originally provided for broadcasting in the band 142,000-144,000 kc. In order to provide frequencies for the aviation service, it was necessary to shift broadcasting to the band 116,000-118,000 kc. which was formerly tentatively assigned to amateurs.

Frequencies will be provided in each of the broadcast bands above 40,000 kc. for experimentation in frequency modulation as well as amplitude modulation in order that the relative merits of the two types of modulation may be properly evaluated by the Commission at an early date. It is anticipated that as a result of such experimentation proper standards will be eventually developed.

The action of the Commission in revising Order 19 provides a total of 12 channels for broadcasting service, such as, for example, relay broadcasting, in the frequency band 132,000-140,000 kc These channels are in substantial accord with the original allocation.

Police Service:

The police service has been allocated eight channels between 132,000-140,000 kc. to supplement the frequencies which have previously been allocated to this service within the band 30,000-40,000 kc. At the present time there is only a small number of police stations operating experimentally above 100 megacycles.

Municipal and county governments as in the past will be required to cooperate to the fullest extent and coordinate thier needs for radio communication service in order that interference may be minimized. These frequencies will be maintained experimentally until such time as developments may determine which manner they may be best used by this service.

Aviation Service:

In order to provide additional frequencies for the aviation service, which is essentially a safety service, and may not be served by any other method of communication, the frequency band 140,000-143,880 kilocycles has been allocated to this service. Many of the present problems which confront the aviation industry through its employment of medium frequencies may be solved through the use of the ultra-high frequencies. These frequencies are of utmost importance to the aviation service in that they are comparatively free from atmospheric interference and electrical disturbances, which render communication on medium frequencies impossible at times Because of the natural limitations of these frequencies in their transmission

and reception range, duplication of use of a given frequency will be possible at intervals of about 500 miles.

The frequency band 129,000-132,000 kilocycles remains unchanged and will be available for airport traffic control. Six airport frequencies separated by approximately 500 kilocycles will be available for use at various airports throughout the country. Where there are several airports in the same locality, such as New York, the use of a separate and distinct frequency may be authorized. The intervening guard bands are provided in order to avoid interference and thus give the maximum degree of safety possible.

Fixed Service:

The fixed service has been allocated 14 channels in the band 132,000-140,000 kilocycles. In view of the decided and extensive demand for frequencies for the various classes of service which by their very nature are dependent on radio communication rather than wire lines, it is only possible to provide frequencies for the fixed service for use in areas where wire facilities are not available, or, due to circuitous wire routing or emergency circumstances, the use of radio may be found justified. Consequently, a limited number of frequencies have been made available for fixed service.

Experimental Service:

The experimental service has been allocated, in addition to the frequencies previously assigned, the shared use of those frequencies allocated to the special services. These additional channels which are interspersed throughout the frequency range 30,000-40,000 kilocycles and 132,000-140,000 kilocycles are primarily for general experimentation which is not directed specifically to any established service.

In addition, the order provides that all frequencies between 129,000 and 144,000 kilocycles are also available for assignment on an experimental basis to stations engaged in the development of a specific service in accordance with the rules and regulations governing that service. For example, should a municipality desire to experiment in the police service on frequencies above 130 megacycles, the frequencies allocated to the police service would be used.

There are also made available to the experimental service three bands of frequencies which have been allocated primarily for television broadcasting. These bands are separated approximately 50 megacycles apart, commencing with a band 162,000 kilocycles. Frequencies within these bands are available on a temporary basis only for general or specific research and experimentation in the development of the radio art along lines which are not specifically directed toward any established service. The holder of any general experimental instrument of authorization for any frequency or frequencies within these bands must vacate such frequency or frequencies if interference results to the television service. The assignments to experimental stations will be made upon the approximate 0.1% channeling system.

Relay Press Service:

The term "relay press" station has been adopted by the Commission since Order 19 was first promulgated. Frequencies above 30,000 kc. formerly designated as "mobile press" are now designated "relay press". A relay press station is limited to the transmission of news for publication, or orders, instructions or inquiries concerning such news to be published by the licensee and other publishers of the same news, or to be disseminated by the news association with which the licensee is regularly affiliated. Licenses for relay press stations are granted for communication to or from points where other communication facilities are not available. The frequencies provided in the revised order for relay press stations fall within the bands 30,000-40,000 and 132,000-140,000 kc.

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"BACK DOOR" CENSORSHIP CHARGED TO FCC

Charges that the Federal Communications Commission is exercising a "back door" censorship on radio programs and that the large broadcasting companies are exerting influence on the FCC to retain desirable frequencies were made this week in the chain-monopoly inquiry.

Roger N. Baldwin, Director of the American Civil Liberties Union, accused the Commission of suppressing freedom of speech through "backdoor" censorship.

"Commission opinions as well as speeches and letters of Commissioners have the effect of duress on program content", Mr. Baldwin told an FCC committee investigating monopolistic tendencies in radio. "Thus the Commission is doing through the backdoor what the Congress has prohibited it from doing through the front door."

Mr. Baldwin referred to the specific provision in the Communications Act providing that the Commission shall not censor radio. He said the Union's chief complaint was the Commission's practice of licensing stations for six-month period instead of for three years as allowed by the Act. Forcing a station off the air, he said, should be by revoking its license rather than failing to renew it. He said the Commission then would have to prove the station was not operating in public interest.

Mr. Baldwin criticized commercially sponsored news comments by Elliott Roosevelt, son of President Roosevelt and President of the Texas State network. He said that a network official should refrain from discussing controversial topics.

S. Howard Evans, Secretary of the National Committee on Education by Radio, which represents educational associations, read a paper in which he asserted the present system of station allocation imposes "a severe limitation on any possible opportunity for freedom of speech on the air". He said the system invited lobbying and pressure methods on the part of the large broadcasting companies.

S. King Funkhauser, special counsel for the Commission, challenged the latter statement. At one point questions were injected by Commissioner Paul A. Walker and by Chairman Frank R. McNinch. In the end Funkhauser had to content himself with Evans' admission that he had no knowledge of influence, except that he knew that high-priced lawyers and engineers of the broadcasting companies spend a great deal of time in Washington in contact with the Commission's employees.

"I make no charges that monopoly does exist", Mr. Evans said. "But there is danger that it will develop, for the favorable channel assignments are aligned with the chain broadcasting companies, and the chain broadcasters maintain a lobby in Washington to create a state of mind in the Commission so that they will give favorable assignments. They are willing to spend considerable money for legal and technical representatives to advise with the people in the Commission."

"Do you know that anyone has spent money for that?" Mr. Funkhauser asked.

"Yes - R.C.A.", Mr. Evans answered. "And as long as the Commission favors certain stations against other stations, they are inviting that sort of pressure."

"You say they spend money to get favorable assignments?"

"No, to maintain favorable assignments."

"Name them."

"WEAF, WJZ, WNAQ, KOA."

"You say they maintain these stations by spending money?" Mr. Funkhauser asked.

"No", Mr. Evans answered, "They maintain talent necessary to keep those assignments. They are here to confer with the Commissions's engineers, lawyers and employees, and they have succeeded in having the Commission refer to regular broadcast bands, as regular commercial broadcast bands. They are here to create the psychology of looking on it as commercial broadcasting."

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SIROVICH DEFENDS ASCAP IN CONGRESSIONAL RECORD

Representative Sirovich (D.), of New York, on Thursday inserted in the appendix of the Congressional Record, a lengthy defense he made of American authors and composers, including the ASCAP, from what he termed unfair copyright legislation in reprinting an address he made on the House floor in 1936.

Among other things, he defended the $250 minimum damage fee carried in the 1909 Copyright Act, which composers may impose on anyone using their copyrighted music without permission.

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TRADE NOTES

CBS Rate Card 25, effective April 1, 1939, was announced this week by William C. Gittinger, Sales Manager of the Columbia Broadcasting System. It includes seven new CBS stations, bringing the current total for the network to 115 stations.

A unique process, developed in France, for printing colors on metallic paper is being used in the commercial field here for the first time on the cover of the NBC quarterly network program book for March. The cover is the work of J. Makowsky of Paris. Being mailed to advertisers and agencies throughout the country, the new program book is divided into three sections, including a summary of industries represented on the NBC networks; a list of sponsored programs with the name of the sponsor, program title, time on the air, network and agency, and a selected line-up of sustaining programs with a description of the program, time on the air and network. The book also points out that NBC network revenue in 1938 was larger than that of any other single medium in the advertising field.

The Union of South Africa, Brazil and Mexico were the largest foreign purchasers of radio receiving sets from the United States during the month of January, according to the Commerce Department. In the order named, they accounted for purchases amounting to $131,462, $82,706 and $74,866.

An unusual advertisement which linked newspaper, radio and poster advertising, appeared recently in William Allen White's Emporia (Kan.) Gazette. It was five and one-half inch copy on three columns placed by the Emporia Poster Advertising Company, illustrating and telling about the big, five-color posters used about town by the new local radio station, KTSW, to advertise itself. Station KTSW has never advertised in the Gazette but many radio advertisers are buying Gazette space to call attention to their radio time.

BBC finances for 1938 show new high in income, actual gross being a trifle beyond $19,000,000, of which 90% derived from radio licenses, according to Variety. Payoffs aggregated $17,764,000 and balance sheet shows Corporation's full assets registered at around $25,600,000. Half of total expenditures were spent on programs. Breakdown of licenses shows that of money subscribed by the public, BBC gets only roughly 75%.

Marshall Field & Co., Chicago, will cease to use the radio as an advertising medium at the conclusion of its "Musical Clock" program on Saturday after nine years of continuous use, six mornings a week.

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NEWSPAPER CASE ENLIVENS CRAVEN-McNINCH FEUD

The minority report of Commissioner T.A.M. Craven in the Allentown newspaper-monopoly case which the Federal Communications Commission set for hearing early this week (see last news letter) widened the breach between Commander Craven and Chairman Frank R. McNinch.

Chairman McNinch's only comment on the case, which may lead to a declaration of policy on newspaper control of broadcasting stations, was:

"What objection can there be to allowing the people directly affected by a proposed local monopoly of communications to say what they want in an open hearing? All the Commission has done is to set this case for a hearing at Allentown."

Commissioner Craven, in his minority report said, in part:

"If these applications are to be set for hearing on this issue it can only be because a majority of the Commission have already adopted in their own minds, or contemplate adopting as a result of these proceedings, a principle that ownership of broadcast stations by newspaper publishers, or by certain kinds or classes thereof, is contrary to public interest, convenience and necessity, and justifies or requires the denial of any application involving such ownership.

"The adoption of such a policy represents a radical change in a policy which has been uniformly and consistently followed by the Government of the United States since the earliest days of broadcasting * * * Prominent among those who pioneered in broadcasting in 1921 and 1922 were newspaper publishers, and, as a group, second perhaps only to manufacturers of electrical equipment, they have contributed ever since to the establishment and advance of our broadcasting system.

"In the most vigorous manner at my command", Commissioner Craven told the Commission, "I desire to record my vote against the adoption of such a policy and to state my reasons for so voting. In my opinion (1) The Commission has no power under the Communications Act of 1934 to adopt such a policy; (2) even assuming that the Commission has discretion in the matter, such a policy would be contrary to public interest, convenience and necessity; (3) a hearing on particular applications is not a proper or fair method of determining whether such policy would be adopted.

"The question directly affects some 240 licensees of existing stations scattered over the length and breadth of this country. It involves evidence to be drawn from some 18 years of experience with newspaper-owned stations, from practically every State in the Union, and from a wide variety of witnesses. It involves considerations drawn from the regulation of other industries, and of complicated social and economic factors. The parties affected are entitled to notice that the Commission contemplates so important a change in principle and to adequate opportunity to be heard.

"It might develop - although I doubt it - that newspaper publishers owning stations should be sub-classified, and that one or more sub-classes should be barred and others not. There are several different situations among newspaper-owned stations, varying from the case where such a station is one of several competitive stations serving the same community to the case where the only newspapers and the only stations are owned by the same interests. Many publishers have only one station each. Others have two or more, sometimes in the same city and sometimes in different cities. If there is to be a sub-classification, it must be clearly definied and based on a reasonable distinction that has some relation to the welfare of broadcasting service."

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PARENT-TEACHER GROUP PROTESTS CHILDREN'S PROGRAMS

The Federal Communications Commission this week received protests from the Blow-Webb School Parent-Teacher Association, of Washington, against the Tom Mix, Buck Rogers and Gang Busters radio programs.

Mrs. J. M. Selby, who headed the Parent-teacher delegation, said she considered the programs undesirable and too exciting for the children at whom they are directed.

However, Mrs. Selby, who told S. King Funkhouser, counsel for the Commission, that she infrequently listened to the radio herself, said that the Parent-Teacher group would have no objection to Gang Busters if it were put on the air after small children had retired.

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CHARLIE'S "KIDNAPPING" GIVES N.Y. A START

The "kidnapping" of Charlie McCarthy gave blase New York a slight shock this week, but the irrepressible dummy was restored so quickly to Edgar Bergen at the Hotel Waldorf Astoria that no one, not even Edgar, lost any sleep.

After some anxious hours, Charlies was returned intact to the ventriloquist by Frank Farrell, night club reporter for the World-Telegram, who had used a note signed by Bergen to get hold of Charlie while his companion was seeing New York night life. Bergen insisted it was a publicity stunt but that he had nothing to do with it. Hereafter, he said, he will keep Charlie under lock and key.

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HEINL RADIO BUSINESS LETTER

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No. 1109

March 21, 1939.

FCC RESIGNATION RUMORS RAMPANT; F.D.R. SILENT

While Congress and the Federal Communications Commission looked vainly to the White House for word from President Roosevelt as to the proposed reorganization of the FCC or at least a successor to Eugene O. Sykes, resignation rumors jumped from one member to another without stopping long enough for verification.

The highlight of these rumors was one, current on Capitol Hill, that Chairman Frank R. McNinch would be "kicked up stairs" shortly to a place on the U. S. Board of Tax Appeals.

Earlier there had been reports that Paul Walker and Thad Brown, staunch supporters of the Chairman, were planning to follow the example of Judge Sykes. Commissioner Walker, although his term expires in June, formally denied the report as to himself.

Oddly enough, the reports of resignations had switched from the minority to the majority members. Last Fall, during the height of the McNinch "purge", stories that T.A.M. Craven and George Henry Payne would resign or be dismissed by Executive Order were current. Yet Commissioner Payne, at least, has continued his resistance to the Chairman's policies, when he considered them wrong, and has brought the wrath of the doughty North Carolinian down upon his head, once by formal statement.

At this stage, however, Commander Craven appears to be more firmly entrenched than ever in his job, whereas Chairman McNinch seems ready to jump in any one of several directions.

The reogranization of the Commission by legislative enactment apparently is dead for this session. Chairman Wheeler, of the Senate Interstate Commerce Committee, has made no effort to bring the issue to a head by scheduling public hearings despite his early support of McNinch's three-man bill.

If Congress takes any hand in the FCC mess, the best guess is that it will authorize a sweeping investigation either in the Senate or House.

So far President Roosevelt, except for his early outburst that he was thoroughly dissatisfied with conditions on the Commission, has remained strangely silent. While friends of Chairman McNinch still insist that he has the backing of the President, there has been no official intimation at the White House that this is true.

Probably the only member of the Commission who is not greatly disturbed by the turn of events is Norman S. Case, former Governor of Rhode Island, whose nomination for another seven-year term was confirmed by the Senate this session. A minority member and yet an intimate friend of the President, Commissioner Case, like Mark Twain, has friends "in both places". Moreover, he is well enough fixed financially not to be dependent upon the $10,000 a year job.

Many names have been suggested as possible successors to Judge Sykes, who leaves the Commission on April 1st to practice law, but none appears to have the right-of-way at this time.

Among the reported candidates are five defeated members of Congress: Otha D. Wearin, of Iowa; David J. Lewis, of Maryland; Maury Maverick, and W. E. MacFarlane, both of Texas; and former Senator Fred Brown, of New Hampshire.

Others, whose names have been suggested, are Rear Admiral Stanford C. Hooper, who is said to have no desire to quit the Navy and sacrifice retirement pay; and Lieut. E. K. Jett, Chief Engineer.

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FTC COMPLAINT HITS RADIO MAIL ORDER BUSINESS

A mail order business for the sale and distribution of radios and radio parts, with places of business in five States, has been charged with making false and misleading statements, in a complaint issued by the Federal Trade Commission.

The respondents are: Wholesale Radio Service Company, Inc., of New York, New York; Wholesale Radio Service Company, Inc., of Massachusetts, Boston; Wholesale Radio Service Company, Inc., of Illinois, Chicago; Wholesale Radio Service Company, Inc., of Georgia, Atlanta; Wholesale Radio Service Company, Inc., of New Jersey, Newark, and Abraham W. Pletman, Samuel J. Novich and Max H. Kranzburg, trading as Wholesale Radio Service Company.

The complaint alleges that the respondents, by mail and through catalogs and advertisements, represented to prospective purchasers that prices listed by them were wholesale prices and that they were wholesalers. Parallel price columns quoting alleged "list prices" and "net cost" of various articles are declared in the complaint to be false and misleading, and the prices at which the products are sold to be retail and not wholesale prices.

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CROSLEY, DON LEE TELEVISION APPLICATIONS REFERRED TO FCC COM.

The Federal Communications Commission this week referred to its Television Committee applications of The Crosley Corporation, Cincinnati, Ohio, and Don Lee Broadcasting System, San Francisco, California, for construction permits for new television broadcast stations to operate on an experimental basis.

The Crosley Corporation asked for authority to use the channel 50,000 - 56,000 kc. with aural and visual power of 1000 watts unlimited time. Don Lee Broadcasting System requested frequencies 42,000 - 56,000 kc. with aural and visual power of 1000 watts, unlimited time.

The Crosley station would be erected at Cincinnati and the Don Lee station on a site to be determined in San Francisco or the immediate vicinity.

The applications are for the purpose of developing television broadcasting as a service to the public in distinction to other outstanding authorizations which permit a development of technical systems of television with public reaction secondary. Some apparatus experimentation is contemplated. However, the primary purpose is the development of a television service to the general public and a means of building programs which will accomplish this purpose. In the case of the Crosley application, the coverage of a typical television installation in the Cincinnati area is to be investigated.

On the committee are Commissioners T.A.M. Craven, Chairman, Thad Brown and Norman S. Case.

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834 FORGOTTEN NAMES OF RADIO RECALLED

One thousand names of radio sets - most of them now gone and forgotten - are listed in the current March issue of Radio Today, in connection with its "reveries of radio listening". Of the entire thousand names, only 186 are still in use on current radio receivers, according to O. H. Caldwell, editor of Radio Today.

Some unusual monickers were found decorating the tombstones of radio's dead past. Here are a few of the radio names that charmed listeners into spending $100 to $250 for sets, back in the early days of broadcasting:

Bear Cat; Betta-Tone; Caruso; Chanticleer; Clear-o-Dyne; Crimp-O-Dyne; Gloritone; Hy-Tone; Mel-O-Dee; Phusiflex.

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PARLEY PREPARES U.S. FOR STOCKHOLM MEETING

A conference was being held at the State Department this week (today and tomorrow, March 21 and 22) to begin the preparation for participation of the United States in the meeting of the C.C.I.R. at Stockholm, Sweden, in June of next year.

The preparatory meetings for the Conference at Stockholm are open to all individuals and agencies in the United States interested in participating in that work, the State Department said.

Following is a list of the questions to be considered:

Methods of Measuring Radio Receiver Selectivity; Methods of Measuring Radio Field Intensity and Noise; High-frequency Ship Calling Frequencies and Procedure; Sideband Suppression; Anti-fading Antennas; Receiver Selectivity Requirements; Vocabulary of Radio Terms; Measurement Methods and Tolerances for Electrical Interference; Indication of Power of Transmitter with Directional Antenna; Frequency Tolerances; Frequency Separation between Stations, in Fixed and Mobile Services.

Also, Radio Wave Propagation; Characteristics of Frequencies for Direction Finding; Field Intensities Required for Reception; Background Noise of Transmitters; Background Noise of Receivers; Sensitivity of Radio Receivers; Radio Conditions Affecting Phototelegraph Transmission; Band Width of Emissions; Amendment or Elimination of Opinions; Addition to Appendix 12 to General Radio Regulations; Universal Decimal Classification; Definition of Transmitters; Classification of Waves.

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FRENCH LISTENERS DISLIKE CURB ON RADIO NEWS

"M. Daladier, in spite of the heavy calls upon his time, has nevertheless been taking a more active interest in wireless just lately, and particularly in the relations between the broadcasting authorities and the Press", World-Radio reports. "No doubt the promised Broadcasting Bill has something to do with this interest, but restrictions placed on news bulletins in June last year, after representations made by the Press, have not proved popular with listeners. He has also published a decree reducing the six sections of the Superior Council of Broadcasting to four by maintaining the sections of Music, Literature, and Science and by altering the sections of News, Education (Sport and Leisure), and Economy to one section entitled General Information.

"Meanwhile, M. Julien, the Minister of PTT, has also been active, and is arranging to meet wireless journalists once a month to exchange information, and his chief of staff will meet them weekly to keep them informed of any innovations."

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TELEVISION ADAPTED FOR "BLIND' LANDINGS

A television system to enable plane pilots to make blind landings in fog has been designed by Roland John Kemp of Chelmsford, England. The device is described in a patent (No. 2,150,551) that has been assigned to the Radio Corporation of America by the U. S. Patent Office.

The system would not only give the pilot a picture of the field but also of the angle at which he must glide to earth for a safe landing.

Operation involves the use on the landing field of two transmitters - one a short-wave radio and the other a television transmitter - keyed together. On the airplane are corresponding receivers, also keyed together.

As the airplane approaches the field, an image is broadcast revealing to the pilot the name of the field, the direction of the wind and other information. The receiver picks this up and makes it visible on part of the television screen.

While the pilot is circling the field the transmitter, of the short-wave directional type that sends out a radio beam focused like the light of a searchlight, is elevated and swung around until its beam hits the airplane and is picked up by the receiver. This beam comprises a radio wave which is automatically varied in signal frequency to correspond with the angle it makes with the ground. This is the angle along which the pilot must glide in order to make a safe landing.

The radio impulses corresponding to this angle are picked up by the receiver and combined with the television signals with the result that on the television screen there also appears a series of oblique lines of the same angle as the gliding beam. These lines remain constantly visible to the pilot as long as he remains on the gliding beam, but disappear should he stray therefrom.

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BBC ISSUES HANDBOOK FOR 1939

Copies of the 1939 Handbook of the British Broadcasting Corporation arrived in the United States this week. The handbook reviews the progress of broadcasting and television in Great Britain and presents some interesting statistics and illustrations.

Some of the chapter headings follow: Broadcasting and the Crisis; Television in 1938; Broadcasting Links with the New World; Listener Research in 1938; the Radio Commentator; Catering for the Music Lover; Broadcasting and Education, and the Wavelength Problem.

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KEN CARRIES "THE CASE FOR ASCAP"

While the Copyright Committee of the National Association of Broadcasters was meeting in New York City this week, Ken, the fortnightly magazine, appeared on the newstands with an article on "The Case for ASCAP" by Lloyd Morris.

Illustrated with pictures of ASCAP activities, the blurb of the article states:

"ASCAP was founded in 1914 to guarantee song writers financial returns from their successful efforts by preventing wholesale piracy of copyrighted songs. Today, benevolent monopolistic trust, it has a permanent corner on all tunes that count, and all renditions are licensed. The setup is equally beneficial to commercial interests and song writers alike, but Big Business doesn't see this and seethes at the restriction."

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AIR CORPS TO TEST NEW RADIO EYE FOR FLYING

Flight tests of a new radio eye which winks 750,000,000 times each second to lead an airplane to a safe landing will be started next month at Wright Field, Dayton, Ohio.

The Civil Aeronautics Authority announced this week that arrangements had been completed with the Air Corps to use its equipment and technical experts at Wright Field in testing the device. If it is approved, they said, it might be used on commercial air lines by next Fall.

The winks of the radio eye are the oscillations of the radio waves generated on the ground and projected as a narrow beam toward an oncoming plane.

By keeping the tiny dot of light cast by the electron beam centered on a screen in the plane, the pilot can keep his airplane squarely on the glide path outlined by the radio beam and reach a safe landing in fog, or under other conditions which necessitate flying "bland".

Two other dots of light indicate to the pilot the position of his airplane with respect to the ground.

One of the highest radio frequencies ever employed in aircraft radio development is used in the instrument. The 750,000,000 winks or oscillations per second is equal to a radio wave only sixteen inches long and approaches the infra-red range in the spectrum of light. Such short waves are not affected by static resulting from lightning, snow, rain or other interference and are reliable under any conditions.

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ITALY REPORTED TO HAVE QUIT S-W PROPAGANDA

Italian attempts to win over South and Central Americans through short-wave radio broadcasts have been abandoned in the face of Latin-American indifference to European political propaganda, Philip L. Barbour, of the International Division of the National Broadcasting Company, told members of the Export Advertising Association at a luncheon meeting in New York recently. Although Germany still keeps up her propaganda broadcasts, he added, they are just as ineffective.

Latin Americans consider we are unduly alarmed over the effects of European radio propaganda, Mr. Barbour continued, according to the New York Times.

"It may be that the retirement of Italy from the propaganda campaign in Latin America is sounder than her persistence in it", he continued. "There is an Italian proverb which, in the case of Italy's apparent action toward Latin America, would seem to indicate that 'the cost is greater than the prize'. In Germany's case it would seem that the cost might be the prize itself."

Much of the six hours taken up daily by Germany in sending broadcasts to Latin America is devoted to colorless programs or to propaganda so blatant that it frequently antagonizes listeners, Mr. Barbour said.

By contrast, broadcasting chains in the United States do a much more effective job, he said. His company, Mr. Barbour explained, devotes eight hours daily to broadcasts to Latin America giving six hours to programs in Spanish and two to broadcasts in Portuguese. Selection of material is governed by the preferences expressed by listeners and the American broadcasts by all companies are winning an increasing following in every South and Central American republic.

"I feel that I should say that to me all this means that we should not follow in the footsteps of those who overdo things", he concluded. "Commercially, exporters in this country may be at a temporary disadvantage. Let us not add political and cultural disadvantages to this. Our proper path, in my opinion, is to continue as we are doing, with a just demonstration of who and what we are, with little or no thought of combatting the propaganda of others."

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TRADE NOTES

The Columbia Broadcasting System this week was granted a modification of a construction permit to move the transmitter site for its new 50 KW. equipment for Station WJSV, Washington, to a point near Wheaton, Md., just outside the Capital, and to install a directional antenna.

The appointment of Wilfred Guenther, formerly WLW Promotion Manager, as coordinator of television and facsimile activities for the Crosley Corporation, was announced this week by James D. Shouse, Vice-President in Charge of Broadcasting. Miss Beulah Strawway succeeds Mr. Guenther as Promotion Manager.

The Crosley Corporation is now broadcasting facsimile daily, on an experimental basis, and recently filed application with the Federal Communications Commission for a television construction permit.

An appeal to self-esteem of listeners produced the best results in a test of response to various radio commercial announcements, according to experiments by C. E. Osgood, C. N. Allen and H. S. Odbert of Dartmouth College, who describe their work in The Journal of Applied Psychology. The subjects, who were college students, listened to recordings of advertising, interspersed with dance records. They were able later to recall best the product mentioned which appealed to self-esteem. The strength of other appeals, in order, was as follows: prestige, health, universality, sex, efficiency, economy, beauty, safety and comfort.

Senator Wheeler (D.), of Montana, placed in the Congressional Record for Monday, March 20, the complete statement of S. Howard Evans, Secretary of the National Committee on Education by Radio, before the chain-monopoly hearing of the Federal Communications Commission.

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MUTUAL TO OPERATE FACSIMILE NETWORK

Plans for the formation of the first experimental facsimile chain to be known as the Mutual Facsimile Network were completed last week in Cincinnati when technical officials of three Mutual Network stations, WGN Chicago; WOR, Newark; and WLW Cincinnati, announced that regularly scheduled facsimile transmission for testing purposes will be inaugurated on March 18 among the three participating stations. A preliminary experiment of the proposed network hookup took place early Saturday (March 11) at 2:30 A.M., EST, when initial transmissions of one hour of facsimile programs originated by the three stations were tested.

With this step the Mutual network moves forward into a new field of radio broadcasting, for facsimile is the transmission of printed matter and pictures over the air for identical reproduction at receiving points.

The tentative network schedule for weekly experimental facsimile service will be from 2:30 to 3:30 A.M., ETS, with 20 minute transmission from WOR, WLW and WGN in that order. Beginning March 18, until further notice, each Saturday the facsimile network will test at this time with the stations alternating in sequence as each presents its 30-minute tranmission period.

Those attending the tri-station conference in Cincinnati were Powel Crosley,III, James D. Shouse, Vice-President; R. J. Rockwell, Chief Engineer, and W. Guenther of WLW; J. R. Poppele, Chief Engineer of WOR; Carl Meyers, Chief Engineer of WGN, and Fred Weber, General Manager of the Mutual Broadcasting System.

Special arrangements have been made to extend the hours of operation of existing network line facilities now used for regular Mutual programs for the experimental facsimile relay. At additional cost the facsimile transmission will immediately follow the regular day's program schedule.

Although the service is being originated at the present time by only the Newark, Chicago and Cincinnati affiliates, it is expected to be extended to all Mutual stations licensed by the Federal Communications Commission for the transmission of experimental facsimile. The tests are being conducted under the Finch system of facsimile, devised by W.G.H. Finch, former Assistant Engineer of the Federal Communications Commission and head of the Finch Telecommunications Laboratories in New York.

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KDKA TO GET NEW TRANSMITTER SITE

In a move to provide more powerful radio reception for Pittsburgh's metropolitan area, Station KDKA will begin construction of a new transmitter headquarters within the next month near Allison Park on Route 8, Walter C. Evans, Manager of the Radio Division of the Westinghouse Electric & Manufacturing Company, has announced. Westinghouse radio engineers selected the Allison Park site after intensive tests during which they used balloons to carry experimental antennas into the sky.

Completion of the new building and transfer of the station's transmitter from Saxonburg within the next 10 months will mark its third major move since it flashed the world's pioneer broadcast from the roof of a Westinghouse building in East Pittsburgh, November 2, 1920.

In addition to bringing the transmitter within eight and one-half miles of downtown Pittsburgh, the transfer will also enable the station to broadcast its radio signal from the highest point in Allegheny County, Mr. Evans pointed out. A 718-foot steel tower antenna will surmount the hill-top site which has an elevation of approximately 1200 feet, about the same as Pittsburgh's Mount Washington.

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BRITISH AD MAN IMPRESSED BY U.S. RADIO

During a discussion of his impressions after a five-week tour of the United States, George P. Simon, Advertisement Director of the London Daily Telegraph and Morning Post praised American newspapers, advertising and the American system of broadcasting over WMCA and NBC networks recently before sailing.

"The development of radio in the American continent for advertising purposes", he said, "is a phenomenon positively startling to an Englishman coming from a country where the British Broadcasting Corporation has the sole care of time on the air and advertising is strictly prohibited. The multiplicity and variety of your programs is no doubt due to this development. The speed and dexterity with which so many programs are dealt is a pattern of business efficiency combined with the maximum of taste and dexterity."

The chief difference between American and British advertising men, Mr. Simon said, is that the former are more accessible and "perhaps a little more ready to see the selling man's point of view". He expressed the hope that American advertisers would take wider advantage of trading opportunities offered by Great Britain under the recently signed Anglo-American trade agreement.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPOSIT
MAR 25 1939

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No. 1110

CONNERY ATTACKS McNINCH AND RADIO MONOPOLY

Reiterating a demand for a sweeping investigation of radio, Representative Connery (D.), of Massachusetts, on Thursday assailed the "radio monopoly", the Federal Communications Commission and Chairman Frank R. McNinch in an address in the House.

He charged that funds are used by the "radio monopoly" to influence members of Congress, that this same monopoly controls 95 percent of the air waves, that a few people in New York decide what the American listeners shall have on the air, and that Mr. McNinch has trebled the cost of the FCC Publicity Division.

"A Congressional investigation of the Federal Communications Commission and the radio monopoly", he said, "will definitely show first, that the Commission has operated solely for the benefit of vested interests; secondly, that this condition was in full force and effect when the Roosevelt Administration came into power; third, that the contracts which the networks hold with affiliated stations force the affiliated stations to blindly accept such radio programs as the radio networks monopolists decide the people of every community of America must listen to, especially between the hours of six o'clock and eleven o'clock at night.

"The Congress of the United States indicated a month ago the virtual contempt which it has for the apparent malfeasance in office of those who constitute the Federal Communications Commission under the leadership of Chairman McNinch when the Congress enacted the Independent Offices Appropriation Bill without appropriating a dollar for the further support of this agency.

"The all important Appropriation Committee of the Congress of the United States has taken the position that before appropriating further funds for the support of this subservient Commission, we should enact new legislation. In view of the charges of debauchery and corruption, of virtually proven monopoly, of a condition in the Commission itself wherein the President of the United States has publicly stated that he is thoroughly dissatisfied, I do not believe that any fair-minded Member of this House can disagree that we should not enact any legislation until a full and thorough Congressional investigation is made into the many ramifications of the power which resides in those entrusted with the molding of public opinion, through the licenses granted by this governmental agency known as the Federal Communications Commission.

"During the past few months I have discussed this matter with several members of the House, and I was surprised to find that many Democratic members, while conversant with the corrupt conditions which exist and who freely admit the need of a Congressional

investigation, hesitated because they believed it would reflect upon the Roosevelt Administration. I have gone into this matter of radio at some length, and I want to say to every Member of the House that the most distressing conditions existing today in the field of radio broadcasting are the result of the power, the practices, and the licenses granted to the radio monopoly prior to the induction into office of President Roosevelt.

"Naturally, we are at fault when we entrust the issuance of radio licenses to a Chairman who was rewarded by President Hoover with appointment to Federal office because of his desertion of the Democratic Party. The present Chairman of the Federal Communications Commission rose to fame in his local community as a leader of Democracy. In 1928 he deserted Democracy and was rewarded for such desertion by appointment by President Hoover to an office in Washington which he publicly testified paid him ten times more per year than his prior average yearly earnings. This gentleman, as the records show, was accused publicly of failing to file a report of funds used in a political campaign to defeat the candidate of the Democratic Party for President of the United States; of having been appointed to a Federal position because of his treachery to a political party which had honored him with public office. For some unknown reason, shortly after Democracy came into power, this gentleman was placed at the head of first one and then another influential and powerful government agency. His administration of that agency for the past eighteen months has been such that on January 24th last, President Roosevelt publicly stated that he was thorough dissatisfied with the conditions within the Commission.

"To further indicate the attitude which President Roosevelt takes towards that Commission, I call the attention of the House to the President's recent public statement at a press conference when, as I understand, even before the President had received the resignation of one of the present members of the Communications Commission, he accepted that resignation before it was handed to him

"Many members of the Congress have demanded economy in Administration agencies. It might be of some interest for those members of the Congress to know that the clerical costs alone of running the individual office of the present Chairman of the Federal Communications Commission this year has increased, without either reason or results, more than 100% over those of his predecessor.

"In addition, the publicity division, operated last year at a cost of some $7,000 now is operated on a basis of some $17,000. This additional cost is due entirely to new attaches brought into the Commission by the Chairman himself.

"The radio monopoly has gone to great lengths to force all its affiliated stations to accept its judgment of what programs must be broadcast over the air. An investigation will disclose that both the National Broadcasting Company and Columbia Broadcasting System force the three hundred or more radio stations,

which they control through operation or affiliation, to blindly accept those programs which the radio monopoly itself decides shall be broadcast.

"A Congressional investigation will disclose that the radio monopolists force the affiliated radio station owner to sign a contract wherein the local station owner agrees that that station's facilities will not be permitted to broadcast any program of any network other than the one with which he is affiliated.

"Further, an investigation will disclose that prior to 1936, there existed a gentleman's agreement between the officials of the National Broadcasting Company and the Columbia Broadcasting System wherein both agreed they would not service with programs any station which had a contract or was affiliated with a so-called competitor.

"Further, an investigation will disclose that both of these radio monopolies force the local affiliate into signing a contract of exclusiveness which virtually deprives the station licensee of operating his station in the public interest; because by so contracting for the sale of time to the network, he is forced to give to a few persons in New York City, to all intents and purposes, the operation and control of his radio station.

"Were the members of the Federal Communications Commission free to function in the public interest as the Congress intended, no such contract could legally exist let alone secure the approval of this governmental agency. But the FCC has totally ignored this practice - a practice that has resulted in greater monopoly for a few.

"Shortly after a substantial number of the members of the House had indicated their lack of confidence in the Federal Communications Commission by voting for a Congressional investigation, this Commission realizing that something must be done to satisfy the public demand for the elimination of a monopoly in radio, went through the motions of investigating the radio monopoly. Imagine, if you can, those who illegally made the radio monopoly possible investigating their own activities. As was well said by a well-known news commentator, it reminded him of 'the witches going on a witch hunt'.

"There is pending before the House Rules Committee two resolutions calling for an investigation of the radio monopoly as well as an investigation of the Commission itself. I have the honor of having presented one of these resolutions. I have no pride of authorship and am perfectly content for the Rules Committee, in its wisdom, to report out either of these resolutions or its own resolution.

"I appeal to the House to investigate these charges and the entire trouble which exists in the radio broadcasting field before we try hurriedly and without due consideration to enact new radio legislation."

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LEWIS, GRANIK IN FRONT FOR SYKES' PLACE

With the President expected to send a nomination next week to the Senate to fill the vacancy created by the resignation of Judge Eugene O. Sykes, two candidates were reported to be in the lead for the job.

They are former Representative David J. Lewis, of Maryland, and Theodore Granik, of New York, counsel to the United States Housing Authority. The name of former Senator Fred Brown, of New Hampshire, also was being mentioned as second choice.

Mr. Lewis is a lame duck member of Congress to whom the Administration is pledged to find a political job because of his New Deal fight against Senator Millard Tydings last Fall. His age and lack of knowledge of radio problems, however, are the principal obstacles to his selection.

Mr. Granik has the support of Thomas G. Corcoran, presidential advisor, and Senator Wagner, of New York. Senator Wagner called at the White House this week to endorse his candidacy.

Former Senator Brown is well liked in administration circles but has no particular radio qualifications.

President Roosevelt has indicated he would send the nomination to the Senate at the same time he accepts formally the resignation of Judge Sykes, due to become effective April 1st.

The fact that the President has recognized the need for appointing a successor to Judge Sykes is interpreted in broadcasting circles as an admission that a legislative reorganization of the Commission at the current session of Congress is extremely unlikely.

Neville Miller, President of the National Association of Broadcasters, and Mark Ethridge, former NAB head, as well as Chairman McNinch were callers at the White House this week. It is understood they were consulted with regard to the FCC appointment. Mr. Miller and Mr. Ethridge also are believed to have discussed the general radio regulation situation with the President.

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JAPAN READY TO START TELEVISION TESTS

The Japan Broadcasting Corporation's station at Tokyo, JOAK, will start television broadcasts on an experimental basis this Spring after it moves to the new building now nearing completion at Uchisaiwai-cho, Kokimachiju, Tokyo, according to the American Commercial Attache, at Tokyo. An appropriation of 970,000 yen was made at a meeting of the Board of Directors of the corporation recently. The test broadcasts will be made at the Atagoyama studio, now being used for the regular daily radio broadcasts. Dr. Kenjiro Takayanagi, premier television researcher in Japan, will take charge of all television broadcasts.

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VALUE OF RADIOTELEPHONE SHOWN IN GREAT LAKES SURVEY

Radiotelephone recently has come to be a worthy rival of radiotelegraph, in short range communication, as a means of protecting life and property from marine disasters, the Federal Communications Commission pointed out this week. That this is particularly true on the Great Lakes is shown in testimony received by the Great Lakes and Inland Waters Survey, the statement said.

The survey has just concluded a two weeks hearing at Cleveland, Ohio, with Commissioner Thad H. Brown of the Communications Commission presiding. Hearings will be resumed in Cleveland on April 5 for further inquiry into radio needs for marine safety in the Lakes region.

More than 80 American vessels and about 40 Canadian vessels have already installed radiotelephone equipment voluntarily, Commissioner Brown pointed out. In recognition of radiotelephone on the Great Lakes the United States Coast Guard plans to place radiotelephone transmitting and receiving equipment this year in 15 life saving stations strategically located around the Great Lakes.

At Cleveland 15 captains, representing the Lake Carriers Association and the Inter Lake Transit Company, testified to the usefulness of the radiotelephone as well as to the value of radio direction finders in preventing navigation casualties. According to testimony by the captains radiotelephone is faster than radiotelegraph in getting messages from ships to shore, and quicker communication brings speedier aid for vessels in distress. Because of its greater convenience officers of a telephone equipped ship frequently talk with vessels ahead to learn of fog and other disturbances as well as currents in difficult passages. Testimony was obtained that radiotelephone messages went through heavy static when the telegraph was unable to get through.

On the other hand evidence has been obtained from the American Communications Association that the radiotelegraph penetrates interference better than the radiotelephone. It is also argued for the telegraph that it provides a written record and, with a radiotelegrapher on duty to give his entire attention to communication, frees the master and officers for other duties. The Association urges that all commercial vessels of over 1600 gross tons should be compelled to install radiotelegraph equipment.

Virtually all of the commercial lake vessels have radio direction finders and use regularly the numerous beacons which give the navigator an accurate bearing when fog and thick weather blots out all visible landmarks, lights and buoys, the survey learned.

The recent hearing revealed a wide and active interest in the use of radio for safety purposes on the Great Lakes. The several radiotelephone and radio-telegraph corporations with facilities on the lakes, the Erie Chamber of Commerce, the American Communications Association, the Lake Carriers Association, and other steamship lines were particularly interested in the use of radiotelephony on the many large lake freighters which navigate the Lakes. On the other hand, the yacht associations and power squadrons in the Great Lakes area, and the Lake Huron and Lake Michigan fishing companies were interested in usefulness of radio promoting safety of smaller vessels on the Great Lakes.

The Government departments other than the Federal Communications Commission which presented evidence were the Coast Guard, the Bureau of Lighthouses and the Bureau of Marine Inspection and Navigation. The work of these departments is related to safety on the Great Lakes and they have cooperated with the Federal Communications Commission in the conduct of the present investigation of radio needs for safety purposes.

Six witnesses of the Federal Communications Commission presented comprehensive data relating to radio equipment on the Great Lakes, characteristics of Great Lakes vessels, navigation casualties over a period of 15 years and the results of engineering tests which have been conducted relating to radiotelegraphy and radiotelephony. Over a hundred exhibits based on studies and investigations of the staff of the Great Lakes and Inland Waters Survey under the direction of Commissioner Brown were introduced into the record.

Hundreds of pages of testimony including 164 exhibits were presented by 49 witnesses during the hearing.

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RADIO STATIONS PLAN OPEN HOUSE APRIL 17

Carrying on its joint promotion campaign, a Committee from the National Association of Broadcasters and the Radio Manufacturers' Association this week were making plans for a nationwide open house demonstration on April 17th.

Prior to this public appeal, sectional meetings of station operators and radio retailers will be held for the discussion of mutually beneficial promotion stunts.

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TELEVISION ATTACHMENT FOR RADIOS DEVELOPED

Development of a simple television receiver which can be attached to any radio set by the Wald Radio & Television Laboratories, Inc., of New York, was announced this week by Robert Robins, Secretary of the company.

This development by George Wald, a pioneer in the field of radio, television and talking pictures, prevents the present radio receivers now in homes from becoming obsolete and makes possible the rapid conversion of the present radio audience into a television audience.

"A patent held by the Wald Corporation permits the sending of programs over hundreds of miles by means of 'mixed frequencies' without any necessity for costly relay stations", the statement added. "This will eliminate another hurdle in the expansion of television which to date has faced the problem of erecting expensive booster stations because of the limited television range extending from 25 to 50 miles from the point of broadcast origin. Another patent owned by the company enables television broadcast to be made over present radio transmitting equipment without construction of special costly television transmitters.

"The Wald Corporation will manufacture, distribute and license the use of equipment based on its patents. It has also perfected a new method of television transmission enabling use of the present broadcast band on radio receivers for television transmission.

"At present, the spectrum range allows only two available channels on the 5 meter band. Reception, therefore, has been limited to two television programs within a given area. Wald patents overcome this limitation. They utilize the present aural-broadcasting wave and enable as many television programs to be on the air as there are radio broadcasts going out at present."

Officers of the new corporation chartered at Albany last week, are George Wald, President; Robert Robins, Secretary and Treasurer; Ralph Vatner, Vice-President and General Counsel. The Wald Radio & Television Laboratories, Inc., is a closed corporation and will not make any public issue of capital stock, it was said. The company in addition to its other activities, will engage in broadcast of non-commercial television programs.

Among patents received and issued to Wald, are Facsimile Broadcasting, issued April 17, 1917; patent on method of transmission making use of present radio broadcasting band for television and capable of transmitting video or image transmission nearly the same distance as audio or sound is transmitted today, issued Dec. 31, 1935; and simultaneous transmission and reception of sound and image over one channel, either radio, wire or television carrier, issued March 15, 1938. A basic patent for film talking motion pictures was reduced to practice on June 20, 1917.

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MAJ. ARMSTRONG BARES "MODULATION" WONDERS

Some of the hitherto unrevealed wonders of the new "frequency modulation" radio broadcast system developed by Maj. Edwin H. Armstrong, Columbia University electrical engineering professor, were demonstrated in New York Thursday night at the University at a meeting of the Radio Club of America, the New York Times reported.

Assisted by three engineers of the General Electric Company, Major Armstrong showed in a series of tests that the transmitting power of his 20,000-watt station at Alpine, N.J., twelve miles up the Hudson, and a similar 600-watt station in Yonkers, could be reduced almost to the vanishing point without appreciably affecting the quality of the program. At the same time this huge reduction in power, about 4,000 times in one case and 600 in the other, respectively, did not seem to cause an increase in static noises.

"In other words he purported to show, and seemed to succeed in showing, that with his unique system high-power stations are not necessary for perfect, noise-free reception", the Times said.

Directing the tests by telephoning to his operators at Alpine and Yonkers, Major Armstrong first showed the several hundred assembled engineers of the Club what music and sound effects "sound like" with his system blotting out the noise generally considered inherent with all types of reception. Each sound was crystal clear and life-like, and murmers of approval were heard from the audience.

He then asked Yonkers to reduce power from 600 to one watt. Music sent over the wave thus created by scarcely as much as is required to light the bulb of a pocket flash lamp, seemed to suffer not a bit by the reduction. Next he instructed Alpine to reduce its 20,000 watts to a minimum, which he said would be five or six watts of power. The result was about the same as with Yonkers.

Major Armstrong then explained to the assemblage that "I believe this demonstration speaks for itself; certainly it tells us the system actually does step outside the realm of static. We have reduced our sending power almost to the irreducible minimum and still have transmitted music of the same quality without appreciably adding noise."

The Alpine station, erected by Major Armstrong to prove his theories that "frequency modulation will work", utilizes a wavelength of about six meters. The Yonkers station, owned and operated by C. R. Runyon, an amateur, utilizes a wave of three meters.

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PRESS WIRELESS EXTENDS TRANSMISSION POINTS

Press Wireless, Inc. has notified the Federal Communications Commission of the commencement of transmission of multiple-address press material from its existing point-to-point radiotelegraph station WBC located at Hicksville, New York, and licensed to operate on the frequency 15,880 kilocycles, to Buenos Aires, Argentina; Santiago, Chile; Rio de Janeiro, Brazil; and Lima, Peru.

All of the above-mentioned cities are named as primary points of communication for stations licensed to Press Wireless, Inc. except Lima, Peru, which has been reported to the Commission as a multiple-address point for other stations licensed to this Company. In addition, each of these cities receives radiotelegraph communication service from either R.C.A. Communications, Inc., or Tropical Radiotelegraph Company, or both, and they also receive cable service.

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BRINKLEY OPENS SUIT AGAINST AMA EDITOR

Del Rio, Tex.

Dr. John R. Brinkley, deposed broadcaster, testified in this week that his gross income dropped from about $1,100,000 in 1937 to about $210,000 in 1938 after publication of an article written by Dr. Morris Fishbein, editor of the Journal of the American Medical Association.

Dr. Brinkley, who said he performed about 5,000 goat gland operations before he abandoned the use of animal glands in his rejuvenation medical treatments, was called as the first witness by the defense in his $250,000 libel suit against Dr. Fishbein.

He had been a member of the American Medical Association before he began to advertise his operations, Dr. Brinkley stated.

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RCA INAUGURATES "PLUG" FOR COMMERCIALS

A series of announcements, designed not merely to sell one product but to urge listeners to pay close attention to all advertising announcements on the air, has been started on the RCA Magic Key program on Sunday afternoons over NBC. These announcements point out that radio advertisers are giving "hours of entertainment in return for a few minutes of commercial announcements" and ask listeners to patronize the products mentioned on the air. While radio stations have carried at various times the Advertising Federation's "Short Talks on Advertising", this is believed to be the first time that a "house ad" for all radio advertising has been heard on the air.

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NOMINATIONS CLOSED FOR PALEY RADIO AWARD

Nomination of candidates in United States and Canada was completed this week for the third annual William S. Paley Amateur Radio Award. For the first time since the award was instituted, women "hams" have made their appearance with men as contenders for the title of outstanding 1938 amateur radio operator.

Candidates were submitted by Coast Guard, Army, Navy, American Radio Relay League, short-wave publications editors and others prominently identified with short-wave operations. Nominations are being compiled in a brochure to be sent members of the Board of Award.

Foremost achievement in amateur short-wave research, technical development and operation is the basis on which the 1938 winner is chosen. Announcement of the Board's choice is expected about mid-May. Members of the Board of Award are Norman H. Davis, Chairman of American Red Cross; C. P. Edwards, Director of Radio, Canadian Department of Marine; Rear Admiral Russell Randolph Waesche, Commandant, United States Coast Guard; Dr. J. H. Dellinger, Chief of the Radio Section, U. S. Bureau of Standards, and Prof. A. E. Kennelly, Professor Emeritus of Electrical Engineering, Harvard University.

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POWERFUL NAVAL STATIONS PLANNED BY AUSTRALIA

Two long-range radio stations which will cost about £40,000, will be erected near Darwin this year by the Commonwealth Government of Australia for use by the Royal Australian Navy, according to the American Trade Commissioner, at Sydney. It is reported that the stations, which will be among the most powerful in the world, will be able to maintain communications at almost any distance. They will be erected as one of the principal links in the chain of defense of British waters south of the tropic of Cancer, and are intended to form an important part of Australia's development of Darwin as the southern adjunct of Singapore.

The construction of the stations, one of which will receive and the other transmit, will be begun soon. The work will be carried out by the Department of Works.

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TRADE NOTES

Construction will start May 1 on a new vertical radiator for WCCO, Columbia's Minneapolis station and fifth member of the network to acquire this type of transmission equipment. Of uniform cross-section design, the tower will be 640 feet high, weighing some 125,000 pounds. It will be designed and insulated for operation at 500 kilowatts power.

National Broadcasting Company stations will total 172 on April 30 when WCOA, Pensacola, Fla., becomes a supplementary affiliate to the Red and Blue Networks. On that date also, WALA, Mobile, Ala., will no longer become individually available but aonly in combination with WCOA. WCOA, owned by the Pensacola Broadcasting Company, operates on a regional channel of 1340 kilocycles with 1000 watts power during the day and 500 watts at night.

A handsome brochure announcing the engagement of Max Gordon, noted Broadway producer, for the production of television shows was issued this week by the National Broadcasting Company.

Work on the Columbia Broadcasting System's television transmitter atop the Chrysler Building is rapidly nearing completion under the direction of Dr. Peter Goldmark, Chief Television Engineer, and G. S. McAllister, Director of Construction.

Charles E. Saltzman, son of Maj. Gen. Charles McK. Saltzman, former Chairman of the Federal Radio Commission, this week was appointed one of four Vice-Presidents of the New York Stock Exchange. He formerly was associated with the New York Telephone Company.

Donald Hunter Munro, Television Production Manager of the British Broadcasting Corporation, will come to New York shortly to work in an advisory capacity with Gilbert Seldes, CBS Director of Experimental Television Programs. He will spend four weeks consulting with Mr. Seldes on Columbia's development of the new science.

The total number of radio sets registered in Denmark at the end of the year 1938 was 763,643, an increase of 57,415 sets over the 706,228 registered at the clost of 1937. On this basis 20.6 percent of the total population are radio owners which means that fully 75 percent of all Danish households possess a set.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

MAR 25 1939

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No. 1111

March 28, 1939

F. I. THOMPSON NAMED TO SUCCEED SYKES ON FCC

President Roosevelt sprung a surprise at noon today (Tuesday) when he named Frederick Ingate Thompson, of Mobile, Alabama, as a member of the Federal Communications Commission, to succeed Judge E. O. Sykes. This appointment is to fill the unexpired seven-year term of Commissioner Sykes, who was named to the FCC in 1934 and whose resignation is to take effect April 5th.

Mr. Thompson, who is 63 years old, was born at Aberdeen, Mississippi, the birthplace incidentally of Judge Sykes. He was editor of the Aberdeen Weekly from 1892-95, of the Weekly Commercial Appeal, Memphis, Tenn., 1897-1902, after which he was a member of the firm of Smith & Thompson, newspaper representatives, New York and Chicago. He was chief owner and publisher of the Mobile Daily (morning) and Sunday Register, 1909-32; chief owner and publisher of the Mobile News-Item (evening) 1916-1932, also Birmingham (Ala.) Daily (morning) and Sunday Age-Herald, 1922-27. At the present time he is President and publisher of the Montgomery Journal Publishing Company which publishes the Montgomery (Ala.) Journal and Times, which is an evening newspaper.

It is through these organs and other means that he has been able to lash out at the power trusts, and since Chairman McNinch is a foe of these same power trusts, it looks as though he might have had a "finger in the pie" in the appointment of Mr. Thompson.

Mr. Thompson was appointed a member of the Alabama Educational Commission in 1919 and was a member of the Democratic National Convention in 1912, 1924 and 1928. He was appointed a Commissioner of the U. S. Shipping Board by President Wilson in 1920, re-appointed by President Harding in 1921, and by President Coolidge in 1923, from which he resigned in November, 1925. Mr. Thompson was appointed by President Roosevelt a member of the Advisory Board on Public Works in 1933, and he has been a member of the Alabama State Docks Commission since 1935.

He was educated in the public schools of Aberdeen and was married in 1900 to Miss Adrianna Ingate, of Mobile, Alabama.

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PLANS FOR NAB-RMA PROMOTION DRIVE ANNOUNCED

Details of plans for the joint promotion campaign of the Radio Manufacturers' Association and the National Association of Broadcasters, to begin April 17, were disclosed this week in booklets sent to the industry by the two trade associations.

Thousands of dollars will be spent to promote both phases of the radio industry and to build up public good-will. The campaign is the first organized effort to effect a coordination of the activities of the broadcaster and the retail radio dealer.

Bond Geddes, Executive Vice-President of RMA, said:

"Objectives of this first joint industry promotion - not for one week but every week and continuing throughout the year - are to increase public interest in the fine programs available, to increase use of radio and hours of listening, to enlarge the listening audience, and to sell more receiving sets, tubes, and parts, and the American system of broadcasting."

Broadcasting of radio promotional programs, of the "Voice of Radio", will begin April 17. The National, Columbia, and Mutual networks have promised weekly, or more frequent, promotional broadcasts. Non-network and smaller stations will be supplied with transcriptions for such programs. "Radio Councils" - local organizations - of broadcasters, distributors and dealers, in cities where there are broadcast stations, will be organized and meetings held beginning the week of April 10.

"Another recommendation, of the joint committee and of the RMA Promotion Committee, of which James M. Skinner is Chairman, Mr. Geddes said, "is that all manufacturers using local dealer cooperative advertising, make available, to local dealers, broadcast continuity for use in local radio advertising (as well as newspaper mats or other material), leaving it up, however, to the individual newspaper solicitor and radio salesman as to which way the advertising allowance will be spent. By including broadcast continuity for use in local radio station advertising by the dealer, broadcasters will be assisted and placed on an equal selling basis with the newspaper.

"The RMA-NAB campaign will be serviced from headquarters with further information, copy, window streamers to dealers, publication of regular bulletins, keeping the campaign alive, and will be pushed by aggressive promotion methods on a year-round basis. After the campaign is introduced in April, another phase will be to enlist support of local utilities by providing space in newspapers and other ways. Moreover, in the later Spring and Summer months the campaign will emphasize - from the manufacturers' standpoint - the desirability of automobile sets and portable radio sets, as well as the multiple set idea.

"This campaign of NAB-RMA marks the first national, intensive joint effort of the broadcasting interests with the manufacturing industry. We believe you will find that it deserves the full support of every member of RMA. An essential is that every key man in your organization, including your advertising and promotion departments, especially your advertising agency, be made thoroughly aware of the complete details and broad objectives of this first all-radio national promotion."

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NAB HEAD DIRECTED TO OPEN ASCAP NEGOTIATIONS

Neville Miller, President of the National Association of Broadcasters, has been authorized to conduct negotiations with the American Society of Authors, Composers and Publishers on an agreement for new contracts.

The NAB Copyright Committee, meeting in New York last week, adopted the following resolution with regard to the copyright controversy:

"Whereas in the opinion of the National Association of Broadcasters the American Society of Composers, Authors and Publishers' present method of licensing broadcasters to use the Society's music is inequitable, inasmuch as it compels broadcasters to pay fees on programs not using ASCAP music, and

"Whereas it is imperative that the industry assure itself of an adequate supply of music on an equitable basis after the expiration on December 31, 1940, of the broadcasters' present contracts with ASCAP in order to safeguard both the industry and the public.

"Therefore, Be It Unanimously Resolved, that the Copyright Committee of the National Association of Broadcasters, consisting of representatives of all elements in the industry, authorize Neville Miller, President of the National Association of Broadcasters, in conformance with the authority already conferred upon him by the Board of Directors of the National Association of Broadcasters, to enter into immediate negotiations with ASCAP and that in conducting such negotiations he be authorized to draw upon this Committee and its membership for such assistance as he may desire, and,

"Be It Further Resolved, that such negotiations shall be predicated on the principle of paying royalties on only that revenue derived from the sale of time for programs involving the use of the ASCAP catalogues, and

"Be It, Therefore, Further Resolved that negotiations shall be carried on with the object of obtaining definite acceptance on a practical basis to the above principle from ASCAP by May 31, in order that the Copyright Committee may be fully advised so as to make a complete and definite report with recommendations at the NAB annual meeting to be held July 10, 1939."

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FCC MAKES INFORMATION OFFICE PERMANENT

The Federal Communications Commission has authorized the establishment of a permanent Office of Information, to be responsible for the collection and dissemination of information for the press and the public regarding the Commission's decisions and other matters and to have such other functions as the Commission may determine.

The authorization was voted at a meeting late last Thursday, the Commission adopting unanimously a resolution offered by Chairman McNinch and seconded by Commissioner Walker.

The Office of Information will be headed by a Director of Information and Special Assistant to the Chairman, with an Assistant Director of Information, and will embrace the work of the Information Office, the Information Reference Room, the Press Room, and related activities. Provision was made for it to function under and be responsible directly to the Commission, replacing the Press Section, a unit in the administrative branch.

The new setup will make permanent and extend the present information arrangements, set up by M. L. Ramsay, who was borrowed from the Rural Electrification Administration to study informational needs as well as conduct the information service temporarily. It is in line with recommendations made in Mr. Ramsay's final report. Mr. Ramsay's detail ends March 31.

Under the Commission's resolution the positions authorized are to be established in accordance with the Classification Act, subject to revision by the Civil Service Commission. The Chairman was authorized, however, to seek to exempt from Civil Service the appointments to the two principal positions.

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CENSUS OF RADIO RECEIVERS TO BE ASKED

The Federal Communications Commission plans to ask the Bureau of Census, in connection with its new census of population, to ascertain the number of radios in the homes as was done in the last census. The Commission is also going to ask for the number of radios in automobiles. There has been some discussion at the Commission as to whether or not the Census Bureau will be requested to include "radio habits" in the forthcoming census.

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PRESIDENT ACCEPTS RESIGNATION OF SYKES

President Roosevelt this week accepted the resignation of Judge Eugene O. Sykes from the Federal Communications Commission, asking him to remain on the job until April 5th, at which time Mr. Thompson, the new appointee will doubtless take up the reins at least until 1941 at which time Judge Sykes' appointment expired.

The President's letter follows:

"At your request, I am accepting your resignation as a member of the Federal Communications Commission, effective April 5, 1939. In doing so I want to assure you of my appreciation of your long service on the Commission and to extend to you my best wishes for your future success.

"Very sincerely yours,

(Signed) Franklin D. Roosevelt."

Originally Judge Sykes, who is a charter member of the Federal Communications Commission, had asked that his resignation be accepted as of March 31st but the President requested that he remain over until April 5. Judge Sykes also had been a member of the old Radio Commission.

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NEW RADIO PLAN FOR GREAT LAKES CONSIDERED

The Federal Communications Commission announced this week that a new plan for handling public communications on the Great Lakes is under development and will be given a trial on a temporary basis during the next season. The new plan is the outgrowth of dissatisfaction among the Great Lakes ship owners, both Canadian and American, and it carries with it the endorsement of both of these groups.

The Commission made its announcement in setting for hearing the application of the Lorain County Radio Corporation, Lorain, Ohio, for renewal of license of radiotelephone Station WMI. Numerous applications for construction permits and modifications of construction permits were set for hearing at the same time. No date has been set yet for the hearing.

The plan now in force on the Great Lakes involves the assignment of a pair of frequencies for each lake, one to be used by the ship in transmitting to shore and the other by the shore station in transmitting to the ship. The entire situation has become complicated by the demands for additional radio frequencies by certain essential services, such as the national defense services.

The Commission pointed out that the new plan has no connection with the Great Lakes and Inland Waters Survey which is being conducted under the Chairmanship of Commissioner Brown.

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CROSLEY LEASES TOWER FOR TELEVISION PLANT

The Crosley Corporation, operators of WLW, WSAI and W8XAL, have leased the entire 48th floor of Cincinnati's Carew Tower for construction of television studios, according to James D. Shouse, Vice-President of the Crosley Corporation in charge of broadcasting.

The Carew Tower, 574 feet high, is located in the heart of downtown Cincinnati and is one of the tallest structures in the center Middle West. On clear days it commands a view of more than 25 miles, making it ideally situated for the successful transmission of television.

Crosley's application for a television license has not yet been acted upon by the Federal Communications Commission. Preparatory measures are, however, being taken. The entire top floor of the Carew Tower is being renovated to make possible the construction of studios, control rooms, observation rooms and air conditioning equipment. Tentative plans call for a projection room for motion pictures, a large studio with raised stage, in addition to a spacious room for transmission equipment. Interior decorators are planning room treatments which promise to make Crosley's new studios one of the show places of the city.

According to present plans, the original equipment of the Crosley Corporation television station will be of 1000 watts power, which, it is expected, will be increased once tests are made. The station will operate on a frequency band between 50 and 56 megacycles.

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NAB PLANS DINNER TO HONOR JUDGE SYKES

Under sponsorship of the National Association of Broadcasters, a dinner has been planned to honor Judge Eugene O. Sykes for his 12 years' service in radio regulation. The dinner will be held April 8th at the Willard Hotel. Judge Sykes leaves the FCC the end of this week or at the latest the middle of next week.

The Committee on arrangements for the dinner includes: Neville Miller, Chairman, Sol Taishoff, Frank Roberson, Andrew D. Ring, Frank M. Russell, Harry C. Butcher, William B. Dolph, and Edwin M. Spence.

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NAB CONSIDERS CUT IN RADIO ANNOUNCEMENTS

Reduction in the length of advertising copy on commercial radio shows will probably result from the deliberations of the Committee on Program Codes and Standards of Practice of the National Association of Broadcasters which met last week in New York, according to Neville Miller, President of the broadcasters' group.

"This is in line with the existing trend in broadcast advertising", said Mr. Miller, "and will put a greater premium on more skilled advertising writing, with briefer, more interesting and more pertinent messages about needed products and services.

"The industry is simply going to put into effect, universally, those practices of progressive advertisers which are already providing their effectiveness in achieving greater results and a higher degree of program popularity."

In praising advertising and its social contributions to the nation, Mr. Miller declared: "While everybody in this country seems to prefer advertised products over non-advertised articles from unknown sources, few, I believe, appreciate the social importance of commercial advertising to both a free American press and a free American radio, because of which neither has to rely on the dangers of a government subsidy or tax levy for its ability to operate."

The Committee meeting, representative of a cross section of both local radio independent and network operation, was called by Mr. Miller, who, shortly after becoming the first President of the reorganized NAB last July, advocated the adoption of a broad ranged policy of self-regulation of the radio industry.

Formulation of a code of commercial practices was but one of the items considered by the Committee, said Mr. Miller. The broadcasters group also analyzed an exhaustive report of its sub-committee which included the matter of radio policy in the handling of children's programs, religious broadcasts, political broadcasts, discussion of controversial public questions by radio, services to education, radio treatment of news matter and public forum broadcasting.

The code is still in the broad outline form and is subject to adoption by the industry as a whole at the annual convention of the National Association of Broadcasters, July 10, 11 and 12, in Atlantic City.

"We know it is the desire of both the broadcaster and the public", said Mr. Miller, "that radio be operated in strict accord with our democratic traditions of private and competitive operation, with fair play and equality of opportunity to all, and with wholehearted regard for our inheritances of freedom of speech, freedom of religion and freedom of assembly. These are

the policies which have guided American radio to date. This forward-looking step by the radio industry is but another indication of its ability to continue to give American listeners the freest and finest radio service in the world."

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"MAN BITES DOG" - STATION TO BUY NEWSPAPER

For the first time in the history of radio regulation a radio broadcasting station will operate a newspaper as a subsidiary, the Federal Communications Commission disclosed this week in approving the transfer of Station WCAX, Burlington, Vt., from the Burlington Daily News to the Vermont Broadcasting Corp.

Approximately 240 radio stations are now owned and operated by newspapers. The FCC has no jurisdiction over the purchase of the Burlington Daily News by WCAX, but it explained that the deal would follow the station transfer.

Chairman Frank R. McNinch and Commissioner Paul Walker dissented in acting on the station transfer.

Chairman McNinch voted "No" on the ground that the proposed assignment had not been shown to be in the public interest. Commissioner Walker in voting "No" expressed the view that a hearing to determine the public interest in the matter should precede the Commission's action.

H. Nelson Jackson is president of the newspaper corporation which has operated both the newspaper and the broadcast station. Charles P. Hasbrook is president and treasurer of the newly formed Vermont Broadcasting Corporation and owner of virtually all of its outstanding stock. The price to be paid for the newspaper and broadcast properties, with certain property excepted, is $59,000. Of this sum $17,000 is assigned to the radio property.

WCAX operates on a frequency of 1200 kc., with power of 100 watts night, 250 watts day, unlimited time.

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RMA PLANS TELEVISION EXHIBIT IN D.C.

A television demonstration with a small portable television transmitter, the first of its kind ever developed, will be given tomorrow (Wednesday) at the Raleigh Hotel by Arthur Murray, Chairman of the Radio Manufacturers' Association and the Philco committees on television. Three demonstrations will be given at 12:30, 3:30 and 8 P.M.

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LIBEL CHARGES DISREGARDED IN STATION GRANT

Concluding a long-drawn-out case of litigation and appeals, the Federal Communications Commission this week granted the application of Harold H. Thoms, doing business as the Asheville Daily News, Asheville, N.C., for a permit to erect a new broadcasting station for operation on 1370 kc. with 100 watts power, unlimited time.

A year ago the FCC denied the application on the ground that the applicant's character was questionable due to his conviction of publishing a libelous political article. All other issues were found in favor of the applicant.

After an appeal to the U. S. Court of Appeals, the case was remanded to the FCC for further hearing.

"After considering all of the circumstances of the applicant's conviction for publishing a newspaper article, including the public retraction thereof, the Commission is of the opinion that this alone does not afford an adequate basis for denial of the application", the FCC stated. "If such facts were to be considered as in this instance as rendering the applicant an unfit person to be granted a radiobroadcast station license, then, by the same token, it would seem that any person who had once published false and libelous statements even though he subsequently published a retraxit and apology, should be held to be unfit to continue operation under a broadcasting license. Such a position would be harsh and untenable.

"The record shows that the applicant enjoys a reputation in and around Asheville, North Carolina, of having a good moral character.

"The Commission, therefore, finds that the applicant is sufficiently qualified as to character to hold a radiobroadcast station license, as is contemplated by the Communications Act of 1934, as amended.

"The Commission further finds that the granting of the instant application will serve public interest, convenience, and necessity."

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The Federal Communications Commission has dismissed with prejudice the application of E. DeVore Andrews and Mrs. Annie L. Andrews, d/b as Greater Greenwood Broadcasting Station, for a construction permit to construct a new broadcast station at Greenwood, S.C. to operate on 1420 kc. with power of 250 watts, local sunset, 100 watts night, unlimited time. This application was dismissed because applicants entered a motion to dismiss their application before the Examiner reported thereon.

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NAUTICAL ACADEMY CITED FOR LACK OF RADIO

The Federal Communications Commission this week notified the American Nautical Academy, otherwise known as the National Training School for Merchant Marine Officers, of Washington, D.C., that it had become liable to a forfeiture of $5,500 for violation of the Communications Act of 1934, as amended, by sailing the five-masted vessel MARSALA in the open sea without radio transmitting equipment.

The Communications Act requires such equipment unless an exemption is obtained for extraordinary reasons. The Commission has no record of any application for examption.

The MARSALA cleared from New London, Connecticut, on November 16, 1938. Eight days later it ran into a hurricane off the Virginia capes which carried away all five of its masts thereby leaving the vessel and crew at the mercy of the sea, as the ship had no means of propulsion other than sail. The following day, November 25, the SS CITY OF SAVANNAH sighted the distressed MARSALA and reported the disaster to the United States Coast Guard station, Norfolk, Virginia. The Coast Guard ship MENDOTA towed the vessel into Hampton Roads, Virginia, the following morning.

Information obtained by the Commission indicated that the American Nautical Academy is a correspondence school for the training of students for positions as Merchant Marine officers. After students or "cadets" finish the correspondence course, they may take cruises on the MARSALA.

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ANTI-NAZI STATION OPERATORS FACE DEATH PENALTY

Operators of illegal radio stations within Germany broadcasting anti-Nazi news may be sentenced to death under the new high treason laws, according to the Deutsche Justiz, official organ of the Ministry of Justice. A maximum sentence of fifteen years' imprisonment may be imposed for operation of a radio station without a license, the New York Times reports from Berlin.

The operator of an illegal station is guilty of high treason if he "uses his station for treasonable purposes by seeking to influence the masses by means of radio telegraphy or radio telephony". In such cases the sentence may range from death by the guillotine to two years' to life imprisonment.

The term "illegal broadcast" also includes transmission of news comment or signals by registered stations whose licenses does not permit them to send such programs.

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TRADE NOTES

The Federal Communications Commission has extended the working of Rule 981 another six months from March 15, 1939, to September 15, 1939. However, all licensees of Relay, International, Television, Facsimile, High Frequency and Experimental broadcast stations should immediately arrange to purchase or install frequency monitors as required by this rule, the FCC stated, since monitors are now available from two or more manufacturers and it is not the plan of the Commission further to extend this rule. All stations must have a satisfactory frequency monitor on or before September 15, 193.

Richard W. Garner has been named Promotion Manager of WSAI, Cincinnati by Dewey H. Long, Station General Manager.

Mayor Fiorello H. LaGuardia, on behalf of the City of New York, licensee of Station WNYC, has amended the petition filed on August 24, 1938, requesting the amendment of Rules 177, 321, 1012(a) and 1052(a), which relate to high frequency and international broadcast programs. Since no date has been set for hearing on this petition under its rules the Commission has automatically accepted the amendment to the petition.

The City of New York (WNYC) seeks the right to rebroadcast certain programs of high frequency and international broadcast stations which may not be done under the Commission's existing rules. To this end it seeks an amendment of the rules so as to permit rebroadcasts of this character where the licensees of regular broadcast stations making the rebroadcasts are universities, other educational institutions, municipalities, other Government agencies or other non-commercial, non-profit organizations.

For the first time in history motion picture publicity material will be transmitted by radio to be read and not heard, according to an announcement from Twentieth Century-Fox Film Corporation and WOR. An arrangement between Twentieth Century-Fox and WOR will give the film company the exclusive use of the Mutual facsimile service for the dissemination of publicity about its pictures and players. A regular daily service of comments and photographs will be sent over the air.

Niles Trammell, Executive Vice-President of the National Broadcasting Company, has been elected a member of the Board of Directors of the company, according to announcement by Lenox R. Lohr, President. He was named to fill the chair left vacant by the resignation of George K. Throckmorton, President of the RCA Manufacturing Company.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1112

NEW FCC MEMBER FACES PRESS OWNERSHIP QUESTION

Broadcasters and members of the Federal Communications Commission are wondering what attitude Frederick I. Thompson, Alabama publisher, will take on the issue of newspaper ownership of radio stations. The question is expected to come to a head when action is taken on the Allentown (Pa.) case.

While Mr. Thompson apparently has had no experience in operating a broadcasting station, he would be expected to side with fellow publishers in any matter that involved their interests. On most matters, however, Mr. Thompson probably will go along with Chairman Frank R. McNinch, who at this time still appears to be in the saddle at the FCC.

A traditional foe of the power trusts, Mr. Thompson is also a Southern Democrat and a New Dealer. It is understood he had the backing of Mr. McNinch for the nomination.

No hearing has been scheduled on the Thompson appointment by the Senate Interstate Commerce Committee, and it is likely that he will be confirmed without opposition. The nomination, however, took most broadcasters and politicians by surprise, and they were busy this week delving into his background.

Meanwhile, it appears that the reorganization of the FCC, at least during this session of Congress, has been shelved. Majority Leader Barkley of the Senate did not include it in the "must" legislation he outlined for the remaining weeks.

There is still a chance that an investigation will be ordered by either the Senate or House, but it probably would be conducted during the Congressional recess.

The FCC meanwhile is nearing the end of its own chain-monopoly investigation, but it is doubtful whether a report will be available before early Summer and possibly after Congress has adjourned.

So far the attitude of the Administration toward an investigation of radio has not been clearly defined on Capitol Hill. Some members consider the letter of President Roosevelt asking for an FCC reorganization as an indication that he has no objections to an inquiry, but others believe that he still is opposed to any airing of dirty linen for fear that anti-New Dealers will seize the opportunity to smear the Administration and the Roosevelt family.

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648 TUBES NEEDED FOR TELEVISION STATION

Pity the poor television studio technician if one of the tubes in his transmitting equipment goes bad. According to C. A. Priest, General Electric radio engineer, his company's television station scheduled to go into operation this year will have a total of 648 vacuum tubes - all essential to putting a broadcast on the air!

"Failure of any one of about 400 of the 648 tubes will stop the broadcast of the television program", Mr. Priest said. "The technician will have to find and replace the bad tube before the broadcast can be resumed. Of course, we expect to minimize the possibility of program interruptions through tube failures by regular inspections and tests."

The 648 tubes are almost seven times the number used in transmitters of most radio broadcasting stations today. Station WGY at Schenectady, for instance, only requires the comparatively small number of 94 tubes to bring you Jack Benny and Amos 'n' Andy.

Television requires more tubes than regular radio broadcasting because of the more complicated number of circuits needed in the transmitter for synchronizing purposes. Great number of tubes in transmitter really simplifies the receivers in the long run. What is more important, the unusually large number of tubes used in the television transmitter permits some simplification in receiving sets. The technical difficulties that need be considered in sending pictures over the air are myriad, and the more of them that can be coped with in the transmitting station, the fewer with which receiving sets will be required to reckon.

Mr. Priest expects improvements in television technique and design to occur ultimately which will permit reducing the staggering number of tubes now needed by as much as 50 per cent.

In broadcasting regular radio programs the possibility of interruption through tube failure is virtually eliminated because all large stations have complete auxiliary transmitters as a safeguard against such trouble.

"In its present more or less developmental stage, such an auxiliary system is not justified for television transmitting stations", Mr. Priest said. "However, when television broadcasting becomes a commercially sponsored business like present-day radio broadcasting, the same or similar measures will have to be taken to insure program continuity."

Of the 648 tubes that will light up when General Electric's television station W2XB goes on the air, 485 will be in the equipment at the studio in Schenectady. These range in size and shape all the way down from the big, funnel-shaped camera tube in the television camera itself, to the small metal "peanut" tubes like those in a regular home receiver. 130 of these tubes will be

instrumental in relaying studio programs by ultra short wave to the transmitter high in the Helderberg Hills twelve miles distant. This transmitter, more powerful than any now in use in this country, will serve the area comprising Schenectady, Albany, Troy, Amsterdam, and Saratoga, known as the Capital District, with a combined population of more than 500,000.

It is this transmitter that will require the most expensive tubes in the system, according to Mr. Priest. 14 of the 163 tubes to be installed there will cost about three times more than all the rest of the tubes put together. These are the big, water-cooled type tubes that actually do the work in sending out the television broadcast. They are about 12 inches long and 6 inches in diameter.

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EDUCATORS SKEPTICAL OF CONGRESSIONAL RADIO REFORM

While talk of reorganization and investigation of the Federal Communications Commission took a temporary recess on Capitol Hill this week, the National Committee on Education by Radio expressed skepticism of the ability of Congress to effect sound reforms in the regulation of radio.

Reviewing recent developments in the move for revisions of the Communications Act, the Committee, through S. Howard Evans, its Secretary, stated in the March bulletin:

"That Congress is poorly prepared to deal with radio is indicated by its recent record in radio legislation and by the generally admitted fact that only one qualified expert on wireless communication is to be found in its two branches. Although numerous bills dealing with radio have been introduced, Congress has not passed an important piece of such legislation since 1934. Senator White, conceded to be the Congressional expert on radio, has been rather inactive in legislation dealing with this specialty and has failed to press for enactment the bill he introduced in 1937 calling for a broad investigation of all phases of radio regulation.

"While the record of actual accomplishment by the Senate in radio is confined almost entirely to the confirmation of members of the Communications Commission and the passage in 1938 of a resolution expressing the 'sense' of the Senate against superpower, the prospect is that 1939 will see a great increase in activity.

"Although the House of Representatives is allowing the Senate to have the first chew at the reorganization bone of contention, it can point with pride to a more aggressive recent history in radio legislation. One channel of action has been the Appropriations Committee through which pass the annual budget requests of the Communications Commission. Another channel has been created by the Connery resolution for an investigation of the Commission. . . .

"What comes after the proposal for the three-man Commission? This question is vital to all those interested in the future of broadcasting. President Roosevelt's letter suggested that Congress must go on beyond reorganization to lay down policies 'so clear that the new administrative body will have no difficulty in interpreting or administering them.'

"The value of any policies which may be proposed to Congress will depend not on the kind of political pressure which can be marshaled in support of them but on the accuracy of the analysis on which they are based. To date there has been no complete analysis of what causes the present unsoundness in the structure of broadcasting. Presumably such an analysis will be forthcoming from the Communications Commission as a result of its current investigation. Until that report appears, the most comprehensive discussion of conditions which need to be corrected in radio seems to be that presented by the National Committee on Education by Radio through the bulletin Education by Radio and through appearances at hearings before the Communications Commission.

"To answer the questions raised by the National Committee, Congress will have to find ways, (1) to end the present unfairness created by the Communications Commission when it licenses high- and low-powered stations to compete directly for advertising revenue; and (2) to provide a more democratic method of control over programs than that represented by either complete commercial domination or concentrated Federal control."

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PRESCRIPTIONS CARRIED BY RADIO TO ISLANDS

The boon which radio has brought to the fourteen small islands in the Torres Strait, which, about a year ago, were equipped with small transmitters on the instructions of the Queensland Protector of Aborigines, is commented on in an official report just published, according to World-Radio. The islands lie between Australia and New Guinea, and it is in the treatment of sickness among the natives - a superior type of aborigines who live by pearling and fishing - that wireless is of inestimable service, says the report.

The main station is on Thursday Island, and a Government ketch, which is on constant service among the islands, is also equipped with a two-way installation.

The service has proved particularly effective in the treatment of cases of serious illness, which previously had to await the periodic visits of the doctor who supervises the whole of the Straits territory. He can now be consulted by radio, and treatment is given by the Mission superintendents and teachers on the islands, acting on his advice.

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ONE-YEAR LICENSES EXPECTED TO BE ORDERED SOON

Revision of the regulations of the Federal Communications Commission to permit the issuance of one-year rather than semi-annual broadcasting licenses is expected to be ordered shortly.

Chairman Frank R. McNinch has intimated that he is ready to go along with the three-man FCC Committee that recommended this change as soon as the North American broadcasting treaty is approved by Mexico.

The Administration also is understood to be agreeable to the extension, but absolutely opposed to the suggestion of Elliott Roosevelt, the President's son, that broadcasters be given a franchise that would be operative indefinitely.

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WIRED RADIO TO BE DEVELOPED IN BRITAIN

A new broadcasting service to reach listeners over telephone wires - which, of course, would be immune from radio interference or jamming by hostile foreign radio stations in wartime - is to be developed throughout Britain, according to G. C. Tryon, Postmaster General, who controls Britain's telephones.

Explaining the system in the House of Commons this week, Mr. Tryon said it would be possible to give a telephone subscriber the choice of three or four programs and the subscriber would be able to use his telephone simultaneously with the reception of programs, the New York Times' London correspondent reported.

Technical details of the new system have not yet been disclosed, but apparently the subscriber would have a loudspeaker attached to his telephone wire with a "relay" instrument having three or four knobs, which would give him a selection of that number of programs.

It has frequently been stressed that in wartime the British Broadcasting Corporation's system would be subject to considerable jamming, if not complete interruption, when any attempt was made to broadcast news bulletins or propaganda. According to Mr. Tryon, it is proposed to connect the broadcasting corporation's radio studios and post offices with "relay stations" by landlines so that the programs would reach subscribers by wire all the way.

In addition, it is proposed to extend the licenses of existing radio relay companies for another ten years. These radio relay companies operate chiefly in large blocks of apartment buildings. The companies pick up radio programs at their own stations and relay them over wires to the apartments of their customers, who have a choice of three or four programs.

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NAB OPPOSES BILL TO CURB LIQUOR ADS

A Senate Interstate Commerce sub-committee this week began hearings on bills offered by Senators Johnson, of Colorado, and Capper to restrict liquor advertising on the air. Government officials and dry leaders endorsed the Johnson bill to prohibit such advertising over the radio; the National Association of Broadcasters opposed it.

From Representative Culkin, who had introduced similar legislation in the House, came word, however, that proponents had decided not to press for action at this session on the Capper-Culkin bill, which would prohibit interstate transmission of liquor advertisements by all other media as well.

W. S. Alexander, Federal Alcohol Administrator, and Philip Buck, FAA general counsel, both endorsed the Johnson bill as sound.

"Both the public and most of the alcoholic beverage industry", Mr. Alexander said, "have shown a willingness to eliminate liquor advertising over the radio."

Mr. Buck called the Johnson bill a "sane" approach to the liquor advertising problem.

Edward B Dunford, counsel for the Anti-Saloon League, endorsed the bill in a statement. He said that North Carolina now prohibited alcoholic-beverage advertising in radio programs originating in that State, while other States had lesser restrictions. He sought assurances that the proposed ban would not affect discussion of the liquor ban over the air.

Miss Izora Scott of the National Temperance and Prohibition Council offered in favor of the bill twelve bulky bundles of petitions which she claimed contained 500,000 signatures. She said that the opposition of the National Distillers Institute to liquor advertising did not have any bearing on beer and wine makers.

Neville Miller, President of the National Association of Broadcasters, said that a prohibition on advertising of alcoholic beverages would set a "dangerous precedent" under which other groups might move against the advertising of cigarettes or even coffee.

He described the problem as a minor one which the radio industry was trying to clean up, asserting that a poll of the industry indicated that less than 1 percent of its revenue came from all alcoholic beverage advertising.

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FCC LAUDS SYKES IN RESOLUTION

The Federal Communications Commission this week made public a resolution of tribute to Judge Eugene O. Sykes, of Mississippi, who will terminate his 12 year association with the Commission and its predecessor agency, the Federal Radio Commission, on April 5th.

In the resolution the retiring Commissioner's associates, Chairman McNinch, Commissioners Brown, Case, Walker, Payne and Craven recalled Commissioner Sykes' services as the first Chairman of the Federal Communications Commission, expressed regret at his withdrawal from the Commission and wished him happiness in his future work.

The resolution was offered by Commissioner Case, seconded by Chairman McNinch, and adopted unanimously. The Commission ordered it spread upon the minutes of the Commission "as a token of the esteem wherein the retiring member is held by his colleagues".

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PHILCO STAGES TELEVISION SHOW IN CAPITAL

Washington audiences this week had an opportunity to watch both ends of a television demonstration at the same time. Inside workings of the television were presented by Philco Radio & Television Corp., in the Raleigh Hotel.

Audiences not only saw the transmitted images of performers on the tiny radio-set screen but also were taken "backstage" while the broadcast was going on and could see the actors in front of the television camera and microphone even as their pictures and voices were transmitted to three receiving sets.

Performers from the Capital theatre took part in the demonstration and the intricate operations of television were explained by Arthur Murray, Philco's television engineer.

Now that television has "left the research laboratory and has entered the American home", said Mr. Murray, "one of the biggest problems facing producers is program material. Lack of entertaining and practical television talent has put a crimp into development of the enterprise for home consumption."

The United States, he said, now has five large companies interested in television and Philco has been conducting field tests since 1935.

Mr. Murray warned prospective purchasers of television equipment "not to expect too much at first".

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EUROPEAN RADIO PARLEY HAS DIFFICULT TASK

"There is now in session at Montreux, Switzerland, a European governmental conference to revise the allocation of wavelengths to every broadcasting station in Europe working the so-called 'long' and 'medium' wave bands, the Electrical Division of the U. S. Bureau of Foreign and Domestic Commerce stated this week.

"The Conference will be faced with a difficult task. A new wavelength plan must be produced which will be accepted and brought into use simultaneously by all countries at an agreed date. The problem of the long waves is still outstanding, and can only be solved by reducing the number of long-wave stations in Europe, so that those which remain can work without mutual interference. On the medium waves there are now over 250 broadcasting stations in Europe, and though many of these are of low power and can share wavelengths, the number of high-power stations built or building is more than double that in 1933, while the number of wavelength channels available will be increased by about 5 percent, by the changes approved at Cairo. If a general agreement is to be reached each country will have to be prepared to make some sacrifice. There may be less reluctance to accept a compromise if it is recognized that the result of a failure to obtain agreement on a new wavelength plan would be an increase in interference between stations and a progressive deterioration in the broadcasting services of every European country.

"The last broadcasting conference to revise wavelengths was held at Lucerne in 1933, and the present plan of wavelength allocations is governed by the Lucerne Broadcasting Convention. The Lucerne Plan unfortunately did not obtain general agreement, and as a result the Lucerne long-wave plan was unworkable. In order to obtain a 'modus vivendi' the long-wave stations have ever since been working on an unofficial arrangement. This is admittedly unsatisfactory, as the wavelength separations between stations are insufficient, while some stations have to share a wavelength, although not far enough apart geographically to avoid mutual interference.

"The wavebands allotted to broadcasting are laid down by the International Radiocommunication Regulations. The World Telecommunications Conference which met at Cairo in the Spring of 1938 made a number of revisions which will come into force on September 1. Because of these revisions and because of the defects in the present broadcasting situation, the Cairo Conference gave directions that the Lucerne Convention should be revised early in 1939, and this revision will be the function of the Montreux Conference. The Cairo Conference directed the U.I.R. (International Broadcasting Union) to prepare a draft plan as a basis of discussion. This draft, prepared at Brussels in November 1938, was circulated to all Governments, and their comments on it have already similarly been circulated."

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600,000 FARNSWORTH SHARES ARE OFFERED

An underwriting group headed by E. H. Rollins & Sons, Inc., offered to the public this week 600,000 shares of common stock of Farnsworth Television and Radio Corporation. The stock was priced at $6 a share. Other members of the offering group are Eastman, Dillon & Co., W. E. Hutton & Co., Hemphill, Noyes & Co., Hallgarten & Co., Riter & Co., H. M. Byllesby & Co., Inc., William Cavalier & Co. and O'Melveny-Wagenseller & Durst. The offering marks the initial public financing for the company.

The corporation intends to use a portion of the cash proceeds from the sale of these shares, together with additional common shares, for the acquisition of the business and properties of Capehart, Inc., and certain properties of the General Household Utilities Company. According to the prospectus, 43,598 shares of additional common stock will be issued in connection with the acquisition of the Capehart properties at Fort Wayne, Inc., and 25,000 additional common shares in connection with the acquisition of the General Household Utilities radio plant, machinery and inventory, located at Marion, Ind. Both of these properties will be used for the manufacture of television apparatus as well as radio and phonograph equipment.

The company anticipates that its receiving models will be made available for sale to the trade by this Fall, and that it will be ready to offer its transmitting apparatus for sale about twelve to eighteen months after work starts. Approximately $2,000,000 of the proceeds from the sale of the stock will be set aside for working capital and inventory requirements. Other portions of the proceeds will be reserved for research and development activities and for plant improvements.

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I. T. & T. INCOME $7,038,590 FOR 1938

The preliminary statement of the International Telephone and Telegraph Corporation and subsidiaries for the year ended December 31, 1938, as compared with the year 1937, shows consolidated net income amounted to $7,038,590 for 1938 as compared with $10,236,148 for 1937. Gross earnings, including gross profit on sales, increased to $67,518,700 from $63,453,870.

This improvement in gross earnings was more than offset by increased texes in the amount of $1,871,753, increased interest charges of $859,109 and $4,575,412 reduction in income as related to the previous year resulting from the inclusion in the 1938 accounts of foreign exchange losses in the amount of $3,561,479 as compared with foreign exchange profits of $1,013,933 in 1937.

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CBS DEVELOPS NEW TELEVISION FILM SCANNER

Transmission by television of motion pictures without distortion or loss of definition is made possible by a development of Dr. Peter Goldmark, Chief Television Engineer for the Columbia Broadcasting System. It is a new type film scanner which will be placed in operation as soon as the CBS station atop the Chrysler Building is completed.

The principle upon which the revolutionary new scanner works is a great deal different from that of the standard motion picture projector. In the latter a strip of film is made to pass between a light source and a lens in a continuous series of rapid jerks so that 24 separate photographs or frames can be scanned per second while they are at rest. This is necessary because the eye would see only a shifting melange of light and shade if the celluloid were kept in continuous motion.

It is not desirable to do this in scanning pictures for television, CBS pointed out, first because for such purposes the film must be scanned at the rate of 60 frames per second to eliminate flicker, and second because stop-motion scanning requires a great deal of light, causes much wear on the film and necessitates a great number of expensive moving optical parts.

Dr. Goldmark and his staff of engineers solved the problem by making the film pass continuously downward before a scanning aperture and lens system and then causing an electronic scanning beam to move upward at exactly the same speed so that a stationary electronic image results. A slotted rotating disc is placed between the film and a number of lens segments. This acts as a shutter and gives light to only one of the segments at a time. The result is that sixty separate stationary frames per second can be produced from film which was originally photographed at 24 frames per second, although the speed of action on the receiving screen is not changed in the least. Moreover the received images will have even illumination and great contrast and character.

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U.S. BAIRD STOCKHOLDERS TO CONSIDER LOAN

Holders of United States units in Baird Television, Ltd., are to meet in London on next Saturday to consider proposals to issue a £400,000 5 percent loan due on June 30, 1944, at a 5 percent premium, according to the New York Times. The United States units include both preferred ordinary and deferred ordinary shares, according to the announcement by the City Bank Farmers Trust Company this week.

The proposed 5 percent loan stock is to be convertible up to March 31, 1944, into a new class of participating preference shares of 2s6d par value, senior to the two classes included in the United States units. The Directors propose to offer the new 5 percent loan stock at par to existing shareholders, but will not do anything about the entire proposal unless at least £325,000 of loan stock is subscribed.

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RADIO WHETS NEWS APPETITES, SAYS E. & P.

"From the St. Louis Post-Dispatch of March 15, we cull an observation of more than passing interest", Editor & Publisher comments editorially in the current issue. "It notes that when Pope Pius XI was elected in 1922, there was no trans-Atlantic radio. Newspapers were the only source of information on the impressive ceremonies, the political and religious implications of Achille Ratti's elevation to the Vatican. And the Post-Dispatch sold only 1,000 extra copies then.

"In 1939, Cardinal Pacelli succeeded to the Papacy. From the moment of his predecessor's passing until his own coronation, every step had been reported, flashed at the second of its occurrence across the ocean and the American continent. And the Post-Dispatch sold about 5,000 extra copies with the election which many of its readers had heard with their own ears simultaneously with the throngs in St. Peter's Square.

"The Post-Dispatch, which has done extensive work with broadcasting, believes that this may indicate the whetting of public interest by radio and the creation of a desire for the more extended accounts and comment published in the press. We agree absolutely. Radio may have changed the function of the printed newspaper, but it has augmented, rather than diminished that function."

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CROSLEY HINTS AUTO WILL BE MANUFACTURED

Lewis M. Crosley, Executive Vice-President of the Crosley Corporation, announced this week in Cincinnati at the annual meeting of stockholders that it was possible that an announcement concerning development of an automobile by the concern would soon be made. Beyond that, however, all officials of the organization refused to commit themselves.

Sales to date this year, Mr. Crosley said, were about 20 percent correspondingly above a year ago, and it was expected sales would continue on an increased basis over 1938.

Gains in sales were principally in the refrigeration line, Mr Crosley added. This is the slack period in the radio receiver sales division. During the second quarter refrigeration sales are normally at their peak and activity in the radio division increases. Mr. Crosley further stated that because the inventory at the close of 1938 was about $1,000,000 below the preceding year that it was possible to operate the factory more efficiently.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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FCC PUTS BRAKES ON TELEVISION

There is apparently considerable more behind the announcement that the Television Committee of the Federal Communications Commission will make a tour of the plants where television experiments are being carried on before making their report than appears on the surface. The formal statement was as follows:

"The Federal Communications Commission announced today (April 3) that the three man Television Committee of the Commission, composed of Commissioners T.A.M. Craven, Chairman, Norman S. Case, and Thad H. Brown would proceed to New York, Philadelphia, and possibly Schenectady to inspect the laboratories which have been most active in the technical development of television.

"The Television Committee plans to make recommendations to the Commission in the near future in regard to standards necessary for television transmission."

It was said that despite great pressure exerted upon the Communications Commission to launch the television industry and still beyond that, pressure brought to bear on the Commission to adopt certain standards, the FCC Television Committee did not propose to be stampeded blindly into making a hasty report.

"Others have been running away with things in television and the present cautious procedure means that the FCC gets the reins back", it was said.

Although the formal announcement states the Television Committee plans to make its recommendations "in the near future", judging by the complications they see in the present situation considerable time may elapse before the report is actually made.

"What's the necessity for going so fast in this important matter of television?" an FCC official asked. "What's the hurry?"

It was pointed out that there were many phases of the matter which must be most carefully considered such as the danger of giving any one group a monopoly in the field through the acceptance of certain standards, determining who is entitled to the restricted number of television channels, the effect of the introduction of television on the broadcast receiver industry, and, finally and most important, it was said, full protection for the public interest.

Credit was given to the Radio Corporation of America and to David Sarnoff in particular for trail-blazing.

"Unquestionably television development would not be as far along as it is in this country if it had not been for the efforts of Davis Sarnoff", it was said, "and deserves the opportunity to cash in."

Even that, it was maintained, would not hurry the Committee unduly.

"We want to know more about the business end of television. There have been many misgivings on the amount of royalties to be received. Much to the astonishment of the FCC Committee, the Radio Manufacturers' Association Committee didn't give any consideration to the Commission's problems. If the FCC Committee accepts the standards offered by the RMA it means almost a monopoly. The standards they propose would put television on a par with the movies in about 1906.

"If the television development means a limited amount of channels, who, considered on a broad public basis, is entitled to them - the existing broadcasting industry, the moving picture industry, or the newspapers? They are all vitally interested", the spokesman concluded.

Among the laboratories or stations to be visited by the FCC Television Committee are the RCA Victor, Philco and Farnsworth in Philadelphia; NBC, Columbia, A. T. & T. and Armstrong, in New York, and Dumont in Passaic, N. J. The Committee will also probably go up to Schenectady to see what the General Electric is doing. The Committee is expected to begin its tour Tuesday, April 11th.

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PRESIDENT AGREES TO LET FCC REFORMS WAIT

President Roosevelt is reliably reported to have agreed that the reorganization of the Federal Communications Commission can wait until next session of Congress if the present session is adjourned early.

Chairman Wheeler, of the Senate Interstate Commerce Committee, called at the White House recently and during the conference is said to have asked the President if he wished to push the reorganization through the present Congress. Mr. Roosevelt is reported to have replied that it could wait.

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CHAIN-MONOPOLY HEARING DRAWING TO A CLOSE

With transcription company representatives on the stand this week, the FCC chain-monopoly investigation, which has been under way since late November, was drawing to a close this week. It was expected to be concluded this week or next.

Following a fortnight of examination of management contracts, the Commission placed in the already-bulging record a large number of statistical exhibits in rebuttal to those of the networks. The exhibits were explained by DeQuincy V. Sutton, Chief Accountant of the FCC.

Mr. Sutton also asserted that 340 of the country's 700 odd stations have "a community of interest with other licensees" through interlocking directorates, multiple ownership or group control. The information, he said, was taken from FCC records and answers to questionnaires sent by the Commission to all station owners.

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FCC REBUKED IN APPELLATE COURT REVERSALS

The Federal Communications Commission was rebuked in two opinions of the Court of Appeals for the District of Columbia which sharply reminded the administrative agency that it must follow the law just as courts do.

Two license applications were sent back for rehearing.

Applicants upheld by the Court were the Pottsville Broadcasting Corp., a Maryland company which seeks to operate at Pottsville, Pa., and Paul R. Heitmeyer, who wished to establish a radio station at Cheyenne, Wyo.

The Pottsville firm had asked for a license in 1936. An FCC Examiner recommended that it be granted. Later the FCC heard the case, along with the claim of a second applicant for the same license. The FCC said the Pottsville company's financial ability had not been shown and that the chief stockholder did not live at Pottsville, in denying the application.

The Court of Appeals reversed the FCC, saying the complaining applicant was financially stable and that the FCC had followed no fixed rule or policy about the residence of stockholders. The FCC ordered the Pottsville company to start all over again, competing for its license with a third applicant.

This was denounced as indicating "a definite intention to disregard the mandate" of the Court of Appeals, Chief Justice Groner held, saying: "We cannot consent to the view that either the right to grant or the right to revoke is subject to the uncontrolled discretion" of the Commission. The court ruling, in effect, was declared to be an order to grant the license.

The Heitmeyer case presented a similar question.

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LABOR UNIONS OPPOSE BAN ON BEER ADVERTISING

Labor union spokesmen joined representatives of the brewing and distilling industries last week in voicing opposition to legislation which would prohibit radio advertising of alcoholic beverages.

Ira N. Ornburn, Secretary-Treasurer of the Union Label Trade Department of the American Federation of Labor, told a Senate subcommittee the measure was "a direct attack on American labor."

It was, he said, "as directly aimed at the jobs of labor as if the bill said so in so many words" because it would tend to curtail the sale of alcoholic beverages.

"It will invite further pressure by militant minority groups to prohibit advertisement of other commodities", Mr. Ornburn declared.

Senator Johnson (D.), of Colorado, author of the bill, replied to opposition witnesses with the assertion that the legislation was designed solely "for the protection of the sanctity of the home and the sanctity of the school room."

Also supporting the objectives of the measure were Howard A. Dawson, Director of the Division of Rural Education of the National Education Association, and Mrs. Sina H. Stanton of the Council of Women for Home Missions.

Mr. Dawson said radio advertising of alcoholic beverages made more difficult the educators' task of "teaching the harmful effects of consumption of alcohol and narcotics".

Joseph Obergfell of Cincinnati, Secretary of the Brewery Workers' Union, contended, however, that beer was "a mild beverage" and that efforts should be made to "wean the youth away from habits acquired during prohibition and hip-pocket drinking".

Senator Johnson protested that his proposal was not aimed at beer any more than other alcoholic beverages, but Mr. Obergfell asserted that most other liquor advertising had been taken off the air voluntarily, leaving beer to feel the chief effect of the legislation.

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There are now about 5,000 amateur radio operators in Germany who are members of the Deutscher Amateru-Sende-und Empfangsdienst e.V., the "DASD", which closely corresponds to the American Radio Relay League, according to the U. S. Commerce Department. Of this number, some 500 hold sending licenses and such licenses are issued only to members of the organization. Those members who do not hold sending licenses occupy themselves primarily with observing reception in the amateur wave lengths and also with short wave broadcasts in general.

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NEW FCC MEMBER MAY TAKE SPOTLIGHT

Reports are circulating around the offices of the Federal Communications Commission that Frederick I. Thompson, Alabama publisher, who has been appointed to the Commission, is "a hell raiser" who may well take the spotlight away from some of the veteran "hell raisers" on the Commission.

While Mr. Thompson's views on radio regulation are not known, it is expected that the publisher will be outspoken in his opinions and will soon make himself a target of groups holding contrary views.

It also is reported that Mr. Thompson has the backing of Marvin McIntyre, a former newspaper man, and was chosen in preference to a candidate of Thomas G. Corcoran, presidential advisor, who is slated to become one of Mr. Roosevelt's executive assistants when the Government reorganization bill becomes a law.

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THREE NEW STATION PERMITS ARE GRANTED

A return to mormalcy in the consideration of applications was indicated at the Federal Communications Commission this week as three construction permits for new stations were granted.

The stations approved are at Fredericksburg, Va., Sedalia, Mo., and St. Petersburg, Fla.

The Fredericksburg station will operate on 1260 kc. with power of 250 watts, daytime only.

The station at Sedalia will operate unlimited time with power of 100 watts night, 250 watts local sunset, on 1500 kilocycles.

The Pinellas Broadcasting Company will operate the station in St. Petersburg on 1370 kilocycles with power of 100 watts night and 250 watts local sunset, unlimited time.

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The administration of the 240 parochial schools of the Roman Catholic Archdiocese of New York is testing a suggestion in teaching techniques by which each of the classrooms of the 90,000 pupils in Manhattan and the Bronx would be connected by amplifiers wired over telephone circuits to a central broadcasting studio.

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TELEVISION ISSUE FILED WITH SEC

The Allen B. DuMont Laboratories, Inc., of Passaic, N.J., last Friday filed with the Securities and Exchange Commission a registration statement covering $750,000 of ten-year convertible, 5 percent notes, warrants covering 9,375 shares of Class A common, and 39,375 shares of Class B common stock.

The company is engaged in the manufacture of cathode tubes for television reception and holds patents in the television field. Paramount Pictures, Inc., owns 14,000 shares representing 100 per cent of the company's outstanding Class B common, and has an agreement through which it may increase its holdings.

Of the proceeds a total of $592,350 is to be used for carrying out a program of increased production, of which $270,000 would be for working capital. The principal underwriters of the note issue were named as Lehman Brothers and Hemphill Noyes & Co.

In addition to the notes, warrants and common stock covered by the statement, it included rights to purchase up to the entire amount of the note issue which will be issued to Class A and B common stockholders.

The notes are convertible at $25 a share into Class A stock. The warrants will be issued to the underwriters, and of the Class A stock to be issued, 30,000 shares will be reserved for conversion of the notes.

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NEW TYPE OF RADIO COMPASS DEMONSTRATED

A new type of radio compass of such high precision that its sponsors said it might revolutionize direction finding in the air and permit accurate control of aerial bomb dropping from long distances was demonstrated in San Francisco last week.

On the instrument board of an airplane the device operates something like the "visible tuning" feature of home radios. A green light shines from the board as long as the plane is heading directly toward the radio transmitting station to which the compass is tuned. If the plane varies as much as two degress off the direct course, the light goes out.

Henry Woolf, former Army Air Corps officer, who invented the instrument, and Edison E. Mouton, former Department of Commerce aeronautics inspector, who demonstrated it, said the compass might be employed in military operations with more accuracy than any radio compass now in general use.

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EDUCATION INSTITUTE TO MARK TENTH ANNIVERSARY

The Institute for Education by Radio, held annually at Ohio State University since 1930, reaches its tenth milestone in this year's conferences, set for May 1-3 at Columbus, Ohio.

Included among the attendants will be several representatives of the broadcasters and educational agencies who have attended all the sessions since 1930. They will be honored at a dinner the night of May 2, with Dr. John W. Studebaker, U. S. Commissioner of Education, Washington, D. C., presiding. Dr. W. W. Charters, Director of the Institute since its beginning, will conduct the ceremony. Dr. Charters heads Ohio State's Bureau of Educational Research.

As in the past, the Institute will be devoted chiefly to a consideration of the techniques of education by radio.

The opening session, on May 1, will be given over to a round-table on "The Place of Radio in a Democracy", by members of the faculty of the University of Chicago, conducted after the manner of that institutions's nationally-known broadcasts.

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CUBAN RADIO IMPORTS SLUMP DURING 1938

Cuba imported 24,127 receiving sets during 1938 valued at $550,203 compared with 40,732 sets valued at $988,228 during 1937, according to a report to the Department of Commerce from the office of the American Commercial Attache at Habana.

Despite the decrease of 41 percent in volume and 45 percent in value, Dutch suppliers were able to increase their participation in the Cuban trade from 5.34 percent in volume and 3.44 percent in value during 1937 to 13.02 percent and 8.93 percent, respectively, during 1938. United States participation, on the other hand, decreased from 94.65 percent in volume and 96.55 percent in value in 1937 to 86.62 percent and 90.94 percent, respectively, in 1938, the report said.

Total imports of parts and accessories also decreased notably during 1938 and were valued at $161,545 against $218,022 during 1937. Imports of parts and accessories from the Netherlands increased slightly, while those imported from the United States decreased by about 28 percent, according to the report.

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TRADE NOTES

An ultra-high frequency radio transmitter and equipment for the transmission and reception of radio facsimile has been ordered from the RCA Manufacturing Company by Station WBNS, owned by the Columbus Dispatch.

A Federal Court jury at Del Rio, Tex., last week returned a verdict in favor of Dr. Morris Fishbein, editor of The American Medical Association's Journal and a defendant in a $250,000 libel suit brought by Dr. John R. Brinkley, former broadcaster. Will Morris, Jr., one of Brinkley's attorneys, said the case would be appealed to the Circuit Court at New Orleans. Dr. Brinkley alleged he was humiliated and damaged by an article written by Dr. Fishbein.

The Federal Communications Commission has issued an invitation to representatives of the Civil Aeronautics Authority, other government departments, Aeronautical Radio, Inc., air carrier operators, private flying associations, and all other interested parties, to attend an informal conference to be held at the office of the Commission April 18th to discuss the proposed revision of the rules governing the aviation services.

The Radio Corporation of America plans to have its dealers equipped with television antennas by April 15th to aid them in demonstrating receivers which will go on sale May 1st.

Borough President James J. Lyons, of the Bronx urged the abolition of Station WNYC, New York, in a letter sent last week to the Board of Estimate. Mr. Lyons, who advocated selling the municipally owned station to private operators, charged that the Fusion administration was using it for "publicity" purposes and that financially the station was an "absolute waste and luxury".

A series of 24 transcriptions of the "Americans All - Immigrants All" series, now having its premiere over 104 stations of the Columbia Broadcasting System, has been prepared by the U. S. Office of Education.

Commissioner Studebaker said that he had decided to record this series because teachers and school officials are looking for aids of this type which they can use in adapting the school curriculum to strengthen democracy - a fast-growing movement in education.

Many New York City schools are planning to use recordings as part of the instructional program. The New York City Board of Education recently authorized instruction to promote tolerance of racial and religious differences.

With first advertising of the new television sets scheduled to appear on April 30th, preparatory to introduction of the devices on the following day, the question has arisen as to whether copy should be placed cooperatively with dealers or sponsored entirely by the manufacturer, according to the New York Times. Arguments against cooperative ads include the claim that in introducing a new product the brand name must be strongly emphasized at the beginning and that this is only possible through factory ads. In dealer copy, it was pointed out, the make of the set usually must share attention with the dealer's name. It is expected that initial television ads will be sponsored by the manufacturers.

A television table model receiver equipped with an automobile background lighting control, "enabling the reproduction of the exact degree of brightness as transmitted at the original scene", has been developed by the Pilot Radio Corporation. The images are reproduced in black and white on a "direct viewing" screen nine inches square.

A television kit, which, according to its sponsors, may be made into a television receiver was advertised in the New York Times last week by Bloomingdale's department store. The Andrea kit sells for $79.50 with tubes listed at $55.00.

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ZENITH DECLARES DIVIDEND OF $1 A SHARE

The Directors of the Zenith Radio Corporation have declared a dividend of one dollar per share to stockholders of record on April 10th. The dividend will be paid April 24th.

Commander Eugene F. McDonald, Jr., President, announced at the Directors' meeting this week that the total figures for the fiscal year would show an increase of 50 percent in unit sales. In spite of the industry being considerably off in dollar volume, Zenith will again this year show an increase in dollar volume also, he said.

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EIGHT DISPLAYS IN RCA "HALL OF TELEVISION"

Providing much greater scope, effectiveness and audience capacity in the presentation of television, new and revised plans for the Radio Corporation of America's exhibit at the New York World's Fair 1939 were announced recently by Ralph R. Beal, RCA Director of Research.

The new plans, upon which radio engineers and architects have been at work since early January, call for eight separate and distinct sections of a television exhibition and demonstration. These displays are: (1) Hall of Television; (2) Television Laboratory; (3) Radio Living Room of Tomorrow; (4) Radio Living Room of Today; (5) "Telemobile" Unit; (6) Television camera set-up and model television transmitter; (7) "flask" type television receiver (laboratory model); and (8) Television receiver (stock model) in a clear glass cabinet.

The RCA exhibit building is shaped like a huge radio tube attached to a base and the whole lying on its side. The base forms the front section of the building. The tube proper, or rear section, is where the television hall has been located. Approximately square in shape, the hall will accommodate, in addition to its equipment, more than 150 persons at a time. It will be luxuriously appointed, and will have special air-conditioning, lighting effects and acoustical treatment.

The equipment to be installed consists of thirteen of RCA's newest stock model television receivers and a projection-type receiver which is still in the laboratory stage of development. The projection receiver will be set up to focus on a 6 x 10 foot screen across one corner of the room. The stock model receivers will be arranged in three tiered semi-circular rows behind the projection unit. This arrangement will permit spectators to view the images on the stock receivers and compare them with the projected images on the screen.

The television laboratory, located at one side of the building and just in front of the hall entrances, is an exhibit which will vary in content from time to time during the Fair. Among the devices to be shown are apparatus for extracting rare metals used in vacuum tube manufacture, originals of several tubes which have been built during the development of the iconoscope and the kinescope, the huge Maloff tube, largest television receiving tube ever built (its viewing screen is 18 x 24 inches) and a cathode ray oscillograph set-up which is used for measurement purposes in receiver designing. These and many other devices will actually be demonstrated by attendants from the regular RCA television laboratories.

Directly across from the laboratory exhibit will be a regulation size television camera unit and a 12-foot model of the RCA-NBC television transmitter atop the Empire State Building in New York City.

Ten hours of television programs daily will be picked up on the receivers in the RCA exhibit, starting at 11:00 A.M. and running continuously until 9:00 P.M. The programs will consist of presentations from the NBC studios in Radio City, broadcast via the Empire State Building transmitter; outside pickups by the "telemobile" unit on the RCA exhibit grounds, on the Fair grounds and in New York City, and motion pictures picked up locally by means of a special television film scanning device in the exhibit building.

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BROADCASTERS ON N.Y. NAVAL RECEPTION GROUP

Leaders in the radio industry are represented on Mayor LaGuardia's Naval Committee for the reception of the U. S. Fleet when it visits New York April 29 to May 17th during the first weeks of the World's Fair.

Among the radio representatives are:

Mr. M. H. Aylesworth, former President of the National Broadcasting Company, now with the Scripps-Howard Co.; Donald Flamm, Station WMCA, New York City; Gen. James G. Harbord, Chairman of the Board, Radio Corporation of America; Maj. Lenox R. Lohr, President, NBC; A. J. McCosker, Station WOR, Newark and New York; William S. Paley, President, Columbia Broadcasting System, and David Sarnoff, President, RCA, and Gerard Swope, President, General Electric Co.

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CBS PROFIT $3,541,741 FOR 1938

The Columbia Broadcasting System, Inc., and its subsidiaries had a net profit of $3,541,741, for 1938 after depreciation, interest, Federal income taxes and other charges, it was announced this week. This was equivalent to $2.07 each on the 1,708,147 shares of combined Class A and Class B capital stock outstanding at the close of the year, excluding shares held in the treasury.

Net profit for 1937 was $4,297,567, or $2.52 each on 1,707,950 combined shares of stock.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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SECOND SECTION OF FCC PROPOSED RULES ISSUED

The Federal Communications Commission today (Friday) issued the second and final part of the Committee report on proposed rules governing standard broadcast stations and standards of good engineering practice. Totalling more than 500 pages, and containing scores of charts and tables, part two of the report of the Committee, composed of Commissioners Norman S. Case, Chairman, T.A.M. Craven, Vice Chairman, and George Henry Payne, supplies evidence supporting the conclusions reached in the first section of the report which was issued on January 18, 1939.

Specifically, however, the report makes certain definite recommendations which were not contained in the first section. While a longer license period was advocated in part one of the report, part two makes a flat recommendation that the license period for standard broadcast stations be increased from the present six months to a period of one year. This, the report states, "will assist in stabilizing the broadcast industry without reducing the necessary control of the Commission over the licensees."

While the report incorporates many of the recommendations and suggestions made by the industry, it carries forward the Committee's earlier stand against super power. Devoting some 20 pages and an entire sub-section of the report to a discussion of this subject, the Committee states that it "deems it unwise to conclude that the existing data are sufficient to warrant a conclusion in favor of super power. . . . . The several considerations governing the interest of the public in general broadcasting structure", says the report, "are too great to warrant taking speculative risks, unsupported by adequate data, even though it be true from a technical standpoint that 500 kw. power is one of the methods to improve service in rural areas".

The Committee's report also recommends extension of the broadcast band from 550 to 1600 kc. inclusive instead of from 550 to 1500 kc. inclusive, as at present. No new allocation of stations is proposed in the band 1500 to 1600, on which frequencies four special broadcast stations are now assigned. These stations are to be classed as regional channel stations, instead of special broadcast stations.

In making recommendations as to the regulation of the technical phase of broadcasting, the Committee states that, "Every effort has been made to make the proposed rules as flexible as possible as it is believed that by this means the fullest usage can be made of the broadcast facilities at the present time as well as providing for the future as the state of the art advances".

Other important changes in the rules, recommended by the Committee, are as follows:

1. Establish three classes of standard broadcast channels.

2. Establish four general classes of standard broadcast stations.

3. Increase power of stations where needed and where technically feasible.

4. Requirements for applicants.

5. Experimental authorizations.

6. Extend use of duplicate transmitters.

While the major part of the report deals with the existing situation in radio broadcasting and proposed procedure for improving service, and is of a somewhat technical nature, there are separate sections dealing with the social aspects and the economic aspects of the broadcasting industry.

Certain of the charts and tables contained in these sections of the report reveal an interesting picture of the operation of the industry. It is shown in one of these charts that more than half (52.45%) of all the time on the air used by radio stations is taken up in music. In second place, come talks and dialogues which occupy 11.41% of broadcasting stations' time on the air. An interesting sidelight on this wide use of music is revealed in a table which lists the revenue classification of stations by type of programs. Here it is shown that stations earning $1,000,000 or over use musical programs in only 37% of their broadcasts, whereas the small commercial stations, earning up to $15,000, broadcast musical programs 61% of their time on the air.

The section dealing with the economic aspects of broadcasting states that during the period from 1922 to 1937, more than 53 million radio sets were sold with a retail value of nearly 4 billion dollars. The present day investment by the broadcasting industry in stations and equipment is shown to be approximately 50 million dollars, plus an additional 9 million dollars in network plant equipment.

The report states that the broadcasting industry (networks and 629 stations) sold time in 1937 valued at nearly 118 million dollars; and during an average week in 1938 the industry employed 17,085 full-time employees, and 5,820 part-time employees.

The Committee's report on proposed rules governing standard broadcast stations and standards of good engineering practice is legislative, rather than judicial in character. Similar, however, to the procedure used in Examiners' reports, the Commission will grant opportunity to all interested parties to file exceptions, and will hear oral argument, before the report will be taken up by the Commission as a whole for final action.

The three-man FCC Committee indicated that the Government may take steps to protect newspapers from "unlimited" competition from radio stations.

They recommended at the same time that the FCC grant broadcasting licenses for one year instead of six months.

"It cannot safely be argued", the report stated, "that Congress always will permit radio licensees unlimited opportunity to secure all advertising business to the serious detriment of the economic structure of important and necessary services rendered to the public by unlicensed media."

The Commissioners added that extension of license periods from six months to a year would stabilize the broadcasting industry, which long has urged such a move to eliminate uncertainty over continuance of operations.

The Commissioners, emphasizing widespread economic effect of high-powered stations and feeling that the broadcasting industry is not yet able to harness the excessive powers which electrical science provides, said:

"It cannot be concluded safely that if radio competition with other media should be highly successful, the public interest would be served by permitting the economic annihilation of these other media.

"Consequently, it may be possible that influence might be exerted to stem an economic trend having adverse social effects. Such a movement has been attempted already but so far without success."

The Commissioners pointed out that newspapers "have a far greater capital investment and affect the employment of many thousands more people than radio.

"Labor displacement resulting from technological development is one of the social problems of the modern age and consequently this is a significant economic factor to be considered in the future of radio advertising business."

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VARIABLE ANTENNA AUTHORIZED IN FCC GRANT

Authority for Station KTKC, Visalia, Calif., to install a new transmitter and erect an antenna system which may be used as a conventional antenna during the day and a directional antenna at night on 890 kc. was granted by the Federal Communications Commission this week.

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PLANS COMPLETED FOR RMA CONVENTION

Tentative plans for the annual gathering of the radio industry at Chicago next June, for the fifteenth annual RMA convention and the National Radio Parts Trade Show at the Stevens Hotel, have been completed, according to Bond Geddes, Executive Vice-President. The RMA convention will be held June 13-14, and the National Parts Show will occupy the Stevens Hotel Exhibition Hall, June 14-17. Already nearly all exhibit space for the parts show, sponsored jointly by RMA and the Sales Managers Clubs of Chicago and New York, has been reserved. A "radio special" train will again be run from New York.

An innovation this year will be the site of the annual radio industry banquet, the "RMA Cabaret-Dinner", for Association members and guests. This social event of the radio gathering, scheduled Wednesday evening, June 14, will be held in the Terrace Casino of the Morrison Hotel. The RMA convention meetings and the parts show, however, will be held in the Stevens Hotel. Chairman Paul V. Galvin and the RMA Convention Committee are arranging a program of cabaret entertainment at the Terrace Casino.

Another social event will be the annual radio industries golf tournament on Thursday, June 15, at the Calumet Country Club.

President A. S. Wells of RMA and the Convention Committee are arranging for many industry meetings during the annual June radio gathering. Also there will be meetings of the Sales Managers Clubs, the Radio Service Men of America, "The Representatives", and other organizations of the industry. All four RMA general divisions of set, tube, parts and amplifier manufacturers, will hold meetings.

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WLW CARRIES CASE TO COURT OF APPEALS

The Crosley Corporation this week filed an appeal in the U. S. Court of Appeals for the District of Columbia from the District Court decision upholding the cancellation by the Federal Communications Commission of WLW's 500 kw. experimental license.

Actual losses in revenue as a result of the reduction in power and subsequent 10 percent cut in advertising rates were cited by Duke M. Patrick, WLW attorney, in a brief filed with the court.

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RADIOTELEPHONY PLAN FOR GREAT LAKES APPROVED

The Federal Communications Commission this week announced approval of a temporary plan for improving the use of radiotelephony in safety communication on the Great Lakes. It is a temporary arrangement effective March 31, 1939, and automatically terminating March 31, 1940, which the Commission, with the cooperation of other interested Federal departments, has effected with the Department of Transport of Canada.

The new plan modifies the regional allocation of radio frequencies for voluntary use by ship and shore radiotelephone stations in the Great Lakes, according to Commissioner Thad H. Brown, Commissioner in charge of the Great Lakes and Inland Waters Survey. In commenting on the new arrangement, Commissioner Brown said:

"The plan is expected to facilitate the exchange of safety communication during the 1939 season of navigation on the Great Lakes, and thereby aid in a determination of the usefulness of radiotelephony in the promotion of safety of navigation. This matter is receiving careful attention and study in the Great Lakes and Inland Waters Survey."

For some years Canada and the United States have provided for standardized frequencies and definite operating procedure to be used in handling radiotelegraph safety and distress communications by ship stations and radio stations on shore. These frequencies and operating procedures are in agreement with the general radio regulations of the International Telecommunication Convention which are now in force on both the lakes and the high seas. Vessels either voluntarily equipped with radiotelegraph or compulsorily equipped in compliance with the United States Ship Act of 1912, have adequate provisions in the way of frequencies and operating procedures. For many years, for example, 410 kilocycles has been designated, by agreement with Canada, as a common safety and distress frequency for radiotelegraph stations in the maritime mobile service on the Great Lakes. Additional frequencies in the band 400-485 kilocycles have been provided to take care of other communications by radiotelegraph.

Until now there has been no comparable agreement in the matter of frequencies and operating procedures for the use of radiotelephony in the Great Lakes region for safety and distress purposes. Because of this fact it has seldom been practicable for American and Canadian vessels to communicate by radiotelephony with each other, with commercial shore stations of the other country, or with U. S. Coast Guard units.

The action taken by the Commission was in response to a resolution sent to the Hon. C. D. Howe, Minister of Transport of Canada, and Commissioner Brown, by the American and Canadian vessel owners at the time of the joint meeting on January 9, 1939, at Montreal, Canada. The resolution pointed out the lack of a

common calling or distress frequency covering the lakes as a whole, which is available to both United States and Canadian vessels and shore stations. Only in this way, it was held, could there be assurance that a ship of either flag equipped with radiotelephone would be in a position to meet fundamental distress requirements. Furthermore, navigational information, it was claimed, could be readily interchanged which would serve as an important preventive of marine casualties and disasters.

In response to this resolution, informal discussions were held by representatives of the Department of Transport of Canada, Federal Communications Commission, U. S. Coast Guard, and interested radio station licensees and vessel owners.

The present plan, which is an outgrowth of these meetings, provides for the use of the frequency 2182 kilocycles by ships of both countries at all points in the Great Lakes area as a calling frequency to initiate communication and to transmit messages involving safety of life or property. To insure an effective use of this frequency for safety purposes, appropriate restrictions are placed upon its use and in no case shall any one exchange of communications on this frequency exceed five minutes' duration. Contact having been made on the frequency 2182 kilocycles, communication from ship station to shore station will be conducted on the frequency 2118 kilocycles, from shore station to ship station on 2514 kilocycles and from ship to ship on 2738 kilocycles.

The Commission has promulgated appropriate rules and regulations applicable to stations under the Commission's jurisdiction in order to carry out the provisions of the new plan. These rules and regulations provide for the issuance of necessary temporary instruments of authorization for all ship and shore radiotelephone licensees who voluntarily indicate their desire to employ the provisions of the plan. All installations or modifications of existing equipment will be wholly voluntary, and will afford an opportunity to the ship owner of demonstrating the practicability of radiotelephony for safety purposes on the Great Lakes.

It is reported that the U. S. Coast Guard will install 15 radiotelephone stations which will operate on the designated safety frequency 2182 kilocycles at 15 strategic points on the Great Lakes.

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A new Bahamas broadcasting station at Nassau was recently opened by his Excellency the Governor. William S. Paley, President of the Columbia Broadcasting System of America, was among those present. Working on the medium waveband under the call sign ZNS, with a power of 1 KW, the new transmitter superseded an old installation that is now to be modified for use on the short waves. It is intended that, ultimately, the two transmitters shall radiate simultaneously.

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CBS ENGINEER DEMONSTRATES REVOLUTIONARY DEVICE

A system that may change the whole conception of modern radio studio design, making it possible for engineers to create over the home receiver the quality of musical tone heard in a concert hall, even though the performers play in a small "dead" studio, was demonstrated in New York this week.

Designed by Dr. Peter C. Goldmark, Television Research Engineer of the Columbia Broadcasting System, the device received its first demonstration before several hundred members and guests of the Institute of Radio Engineers at the CBS playhouse, the New York Times reported.

Dr. Goldmark explained in his lecture, which accompanied the demonstration, that the system was designed primarily for the benefit of home radios. The device is to be incorporated in the studio control room; nothing need be added to the home receiver, he said.

Picking up several programs from CBS studios at 485 Madison Avenue, studios of average size but much smaller than a full-size concert hall, Dr. Goldmark, his assistant, Paul S. Hendricks, and others, first let the assemblage hear a normal "high-quality" type of broadcast presentation. He then switched on the synthetic reverberation machine. As he turned a knob to increase this effect, singers, orchestra and speakers on the program seemed to step out on the stage. The sound seemed not to come from the loud speaker, but from the whole stage.

The reverberator is a maze of switches, coils, relays and vacuum tubes. Inside it is a wheel or disk twenty inches in diameter, revoling 400 times a minute. On the cylindrical outer edge of the disk is painted a phosphorescent material. When the wheel turns the light of a special lamp plays on this material. Actuated by pulsations of tone from the sound channel, the lamp's "light" throbs in exact relation to the music.

This "paints" an exact "picture" of the tone on the wheel's rim during each revolution. Two stationary photo-electric cells, placed one-third and two-thirds of the way around the disk from the exciter lamp, pick up the tone after it has been retarded varying amounts of time on the wheel's rim. This is fed back into the circuit through an amplifying channel. Each time the wheel rotates a new set of "reverberations" is introduced.

The resultant tonal delay simulates the time required for a sound to advance from an instrument or instruments on the stage, strike the walls of a large enclosure, and return to the ears of the listener or to a pick-up microphone for broadcasting.

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TRADE NOTES

A small, low-cost Multi-Range Wave Trap which is said to set new high standards in protection of radio receivers against unwanted interference or inadequate reception of certain stations has just been announced by the RCA Manufacturing Company. The new unit has an average attenuation of 40 to 1 over the frequency range of 45-2100 kilocycles.

A New York manufacturer of receiving sets for use both in automobiles and in homes, has entered into stipulations with the Federal Trade Commission to discontinue misleading representations in advertising. Pierce-Airo, Inc., 436 Lafayette St., New York City, manufacturing and selling DeWald and Motortone radio sets, agreed to cease the use in printed matter of the words "Pierce-Airo", either alone or in connection with an arrow, or of any other phonetic or correct spelling of the words "Pierce Arrow" so as to mislead purchasers of its sets into believing that they have been made by Pierce Arrow Motor Car Company, Buffalo, when this is not a fact. The respondent also agreed to cease misstating the number of functioning tubes in its sets.

Because it is felt that it has achieved its objective, the Magic Key of RCA will soon be retired from the air by the Radio Corporation of America, and plans will be considered for a new type of program. The Magic Key, which has been heard continuously for three and a half years over one of the largest commercial NBC hookups, was designed as part of an institutional advertising campaign to familiarize the public with the relationship among the various companies making up the RCA family.

A meeting of the RMA Board of Directors will be held April 26th at the Roosevelt Hotel in New York City. President A. S. Wells has arranged for the Directors' meeting just prior to the opening on the following Sunday, April 30, of the New York World's Fair, and the beginning of regular television programs in the New York area. At the same time, either on April 26th or the preceding day, a general conference of RMA members on export sales promotion will be held. The export conference, to consider competition in foreign markets, is being arranged by Chairman S. T. Thompson of the RMA Export Committee.

One of the annual merit awards conferred by the National Institute of Immigrant Welfare will go to David Sarnoff, President of the Radio Corporation of America. The awards, given to citizens of foreign birth who have made outstanding contributions to American life in science, art, education and public affairs, will be given at the Institute's fourth dinner April 19, in the Biltmore Hotel, New York City

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South American reception of General Electric's short-wave W2XAD promises to be considerably improved by the use of a new antenna developed by Dr. E.F.W. Alexanderson, consulting engineer of the General Electric Company. Known as the new Alexanderson panel antenna, the equipment is expected practically to double signal strength by decreasing its vertical depth, thereby keeping the signal path nearer the earth's horizon. By concentrating the energy, the new antenna should also result in a noticeable reduction in fading of signal strength, according to General Electric engineers. Two 300-foot towers have been erected at South Schenectady, site of General Electric's radio transmitter laboratory, for use with the new system.

A Philco television caravan is making a cross-country tour of the United States in what is said to be the first attempt to acquaint the country at large with both television receiving and broadcasting at first-hand. This travelling demonstration of television is made possible through the development by engineers of the Philco Radio & Television Corp. of a new portable television transmitter which stands less than six feet high, is completely mobile and requires only a plug-in to a nearby electric outlet for its operation either indoors or outdoors.

Treasury collections in February 1939, of the Federal 5 percent excise tax on radio and phonograph apparatus increased 55 percent over February, 1938. The radio tax collections last February were $404,201.56 against $260,580.34 in February, 1938. Excise tax collections on mechanical refrigerators decreased, being $416,887.88 last February against $618,664.12 in February, 1938.

President Roosevelt, delivering the opening address at the New York World's Fair of 1939 on April 30, will be the subject of the first program of the first regular high-definition television service in the United States, according to Lenox R. Lohr, President of the National Broadcasting Co. The World's Fair opening, which also will signal the launching of the new television industry in the United States, will be relayed from the fair grounds at Flushing Meadows by the NBC mobile television station. Both pictures and their associated sounds will be broadcast from the main NBC transmitter in the Empire State tower. The televised image of the President will be visible on receivers in the Metropolitan area within a radius of about fifty-five miles in all directions from the Empire State tower transmitter, according to NBC television officials.

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BAIRD TO INSTALL TELEVISION IN N. Y. MOVIES

Negotiations are under way to equip two or three New York motion picture theatres with Baird television apparatus by May 15, according to Arthur A. Lee, Vice-President and General Manager of Gaumont-British Corporation of America, which owns a controlling interest in Baird Television. The television pictures, which will be projected on a twelve by fifteen foot screen, will be a feature of the regular motion-picture entertainment and will at first be limited to sports events, such as prize fights or baseball games, the New York Times reports.

Negotiations are also under way with one of the broadcasting networks for daily pick-ups transmitted either from films or actual studio presentations, providing thirty-minute television shows in the motion-picture theatres.

A staff of engineers will arrive in New York by May 1st to make installations which will necessitate only a slight sacrifice in the seating space. The television equipment may be installed more simply and even more cheaply than sound apparatus for talking pictures, according to Mr. Lee.

The Baird system uses a projector which must be near the screen, and will cause the removal of a few rows of front seats.

Television experiments in several London theatres owned by Gaumont have been successful, a light-weight championship prize fight and the recent televiews of the Oxford-Cambridge boat races having encouraged the Gaumont officials to equip about half of their 300 London theatres with Baird television apparatus, Mr. Lee said.

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LEGISLATION WOULD CUT TREES TO AID AUTO RADIOS

Electric power lines would be moved and trees on rural highways cut down to prevent interference with radio reception in automobiles, under the terms of a unique bill introduced in the South Carolina Legislature by Representative Herbert W. Smoak.

Power lines on rural highways, under the bill favoring automobile-radio, would be hereafter placed at such distance from the public highways as not to materially interfere with auto-radio reception. Power lines heretofore constructed would be moved, under a five year removal program, and trees cut down if authorized by owners.

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CBS AND NBC BILLINGS INCREASE OVER 1938

This week - the first week in April, 1939 - shows a 16.5% gain in CBS volume over the same period a year ago, with Columbia clients increased from 44 to 47.

This sharp rise follows a March, 1939, volume of $2,925,684, representing the second largest gross for any month in CBS history, topped only by the record $3,034,317 set in March, 1938. By far the best month this year, CBS March billings top the month before by a full 15.1%. First quarter for 1939 adds up to $8,141,283.

Showing an increase for the sixteenth successive month, gross expenditures by advertisers on the NBC networks hit an all-time high in March when they reach $4,170,852. With a total of $3,132,832, expenditures in March on the Red Network were the highest on a single network in the history of radio.

Expenditures on both networks were up 9.6 percent over the March, 1938, figure of $3,806,831. Previous highs on the NBC networks were reported for October, 1938, with a total of $3,773,964; November, 1938, when the total reached $3,898,919, and January, 1939, with a total of $4,033,900.

The first quarter total for both networks, an all-time high, was $11,953,447, an increase of 7.7 percent over the total for the first three months in 1938.

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NEW LIGHTWEIGHT RADIO FOR AIRCRAFT DEVELOPED

A remarkably lightweight and compact radio set, probably the lightest ever produced for aircraft, has been designed by Imperial Airways and is now being tested on their Empire routes, according to a report to the Department of Commerce from the office of the American Commercial Attache at London.

The set may possibly be carried as an auxiliary to the standard radio equipment on the Atlantic route this Summer. It may also be adopted for a similar purpose on the long-distance Empire service and for use in control launches. Although of small proportions and conveniently self-contained, the set incorporates all the features required to meet communication requirement on the Empire air routes, the report said.

The set combines long and short wave on the same transmitter and the change from each system of transmission is effected instantaneous by means of a single rotary switch. The wave range is between 5 and 1,000 meters, and is crystal controlled spot wave on any required frequency. The total weight of the set is 43 pounds, according to the report.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1115

April 11, 1939.

MILLER AND GEDDES TO LAUNCH NAB-RMA CAMPAIGN

Neville Miller, President of the National Association of Broadcasters, and Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, will speak on the RCA Magic Key program over a country-wide NBC-WJZ network next Sunday, April 15th, at 2 P.M.,E.S.T. They will explain to the radio audience the objectives of the National Association of Broadcasters and the Radio Manufacturers' Association's joint promotional campaign which begins Monday, April 17th. A. S. Wells, of Chicago, President of the Radio Manufacturers had intended to participate in Sunday's broadcast but will be prevented from doing so because of the fact that he will be in Florida at that time.

The all-radio national promotional campaign has drawn tremendous interest and support throughout the country. A. H. Gardner and Judge John W. Van Allen, Director and General Counsel respectively, of the Radio Manufacturers' Association, addressed a preliminary meeting in Buffalo. Mr. Geddes will speak at a gathering of Washington radio distributors and dealers in the National Capital Wednesday night.

The heads of the NAB and the RMA are both sending personal messages, via radio transcriptions, to all local broadcast stations, for the meetings of the broadcasters and local jobbers, dealers and servicemen. "Open house" will be held by many broadcasters during the week of April 17. There will be studio and lobby displays of a promotional nature. Dealers are to be provided also with window streamers, and special local events will be planned. A booklet for inclusion by manufacturers in all radio sets, and for distribution by dealers also is in preparation.

Booklets outlining the detailed program for the campaign have been sent to all broadcasters and manufacturers. Radio manufacturers are also sending copies of the booklet to their distributors, to complete the tie-in of the trade with the broadcasters in all communities. Special advertising, by broadcasters and manufacturers, also is being provided for through advertising departments and agencies of the radio interests. A special mailing to 55,000 radio dealers of campaign information is being prepared, for distribution through the joint "Radio Councils" of broadcasters and the trade in local communities.

Every element within the broad field of the radio industry is being "tied-in" with the campaign, the first effort in the history of the industry, of active cooperation between broadcasters, manufacturers, and the trade to "sell radio via radio".

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SENATE CONFIRMS THOMPSON; OATH OF OFFICE WAITS

The Senate on Saturday confirmed the nomination of Frederick I. Thompson, Alabama publisher, as a member of the Federal Communications Commission to succeed Judge Eugene O. Sykes. The nomination had been reported by the Senate Committee on Interstate Commerce without hearings.

As all nominations must lie over two executive sessions of the Senate after confirmation, Mr. Thompson will be unable to take the oath of office before the latter part of this week.

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ZENITH READY, TELEVISION NOT, SAYS McDONALD

Apprising Zenith dealers throughout the country of the attitude of the Zenith Radio Corporation towards television, Commdr. E. F. McDonald, Jr., President, has summed it up in the terse sentence: "Zenith is ready, but television is not." The communication, according to Commander McDonald, went to 60,000 Zenith dealers:

"Zenith has television sets",he said.

"Zenith's television transmitting station W9XZV is operating daily and is the only television transmitter licensed by the Federal Communications Commission in the whole Chicago area.

"Today Zenith's television receivers are loaned - - - not sold. Zenith is ready --- but television is not.

"Even Government television standards are not yet established.

"The Federal Communications Commission, in its annual report to Congress in January this year, stated: "However, it is generally agreed that television is not ready for standardization or commercial use by the general public."

"Zenith believes it is unfair to the public and knows it is unfair to the dealers to ask them to finance the television industry's experiments.

"Radio dealers have been penalized and punished by premature television publicity starting last Fall. Prospects were led to believe that television would cover the country overnight.

"Zenith will not break faith with its dealers.

"When Zenith believes television is ready for general use in the store and the home - - - Zenith will supply you with television receivers and not before."

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200 ATTEND FAREWELL DINNER FOR JUDGE SYKES

Tribute to Judge Eugene O. Sykes for his twelve years' service on the Federal Communications Commission and the Federal Radio Commission were paid Saturday night at a dinner attended by 200 radio and political personages at the Willard Hotel.

Neville Miller, President of the National Association of Broadcasters, which sponsored the dinner, was toastmaster. The dinner came just a few days after Judge Sykes had severed his connection with the Commission.

Speakers were Senators Pat Harrison, of Mississippi, native State of Judge Sykes, and Burton K. Wheeler, Chairman of the Senate Interstate Commerce Committee; Representatives Sam Rayburn, Majority Leader of the House, and Clarence F. Lea, Chairman of the House Committee on Interstate Commerce Committee; Chairman Frank R. McNinch, of the FCC, and Lambdin Kay, General Manager of Station WSB, Atlanta.

Senator Wheeler, in his address, noting the size of the attendance, remarked that it was unusual for so many persons to turn out for a farewell dinner.

"But if Mr. McNinch were to quit", he added jokingly, "you could fill a room twice this size."

Among those present at the dinner were:

Judge A. L. Ashby, NBC, New York; K. H. Berkeley, NBC, Washington; Thad H. Brown, FCC Commissioner; Harry C. Butcher, Columbia, Washington; Louis G. Caldwell, Radio Counselor; Martin Codel, Broadcasting Magazine; Senator Tom Connally, from Texas; Commdr. T.A.M. Craven, FCC Commissioner; Roland C. Davies, radio writer; William J. Dempsey, General Counsel, FCC; Donald Flamm, Station WMCA, New York; Bond Geddes, Executive Vice-President, RMA; Gerald C. Gross, FCC; F. P. Guthrie, R.C.A. Communications, Washington; William S. Hedges, NBC, New York; P. J. Hennessey, Jr., radio counsel; Lieut. E. K. Jett, FCC; Lynne Lamm, radio writer; John M. Littlepage, radio counselor, Thomas P. Littlepage, Sr. and Jr.; Alfred J. McCosker, Mutual Broadcasting System, New York; Duke Patrick, radio counsellor;

Also, Andrew Ring, FCC; Elliott Roosevelt; Frank M. Russell, NBC, Washington; Oswald F. Schuette, RCA; Frank D. Scott, radio counsel; Senator Ellison D. Smith, from South Carolina; Paul D. P. Spearman, radio counsel; Sol Taishoff, Broadcasting Magazine; Paul A. Walker, FCC Commissioner; A. D. Willard, Jr., Columbia Broadcasting System; Frederic A. Willis, Assistant to President, Columbia Broadcasting Company, New York.

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TWO TELEVISION STATIONS FOR CAPITAL PROPOSED

The Federal Communications Commission has received applications from the Allen B. DuMont Laboratories, Inc., at Passaic, N. J., for permission to construct two television stations in the National Capital. One of the permits calls for construction of a station in the National Press Building, Fourteenth and F Streets, N.W., and the other for a portable mobile station. The latter would be the scanning device for picking up the events and sending them to the main station in the Press Building.

The quest for the Press Building station asks for assignment of the frequencies 42,000-56,000 and 60,000-86,000 kilocycles, for both aural and visual service at 1,000 watts power. The application for the portable mobile station asks for assignment of 60,000-86,000 and 156,000-162,000 kilocycles at 50 watts power, both aural and visual.

The DuMont Laboratories have had an experimental license for some time and have been carrying on extensive work in their Passaic laboratories.

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KURT LETS THE LADIES IN ON HIS EASTER PARTY

Kurt G. Sell, representative of the German Broadcasting Company and the German News Bureau of Berlin, in the United States and a popular member of the Capitol Press Galleries, was the host for a large Easter Party in Washington last Saturday night.

Famous for his stag affairs, Mr. Sell this time tried, as he laughingly put it, the "noble experiment" of inviting the ladies. Attesting to the success of the idea was the fact that though it happened to be held the same night as the dinner to Judge Sykes, Mr. Sell's guests, close to a hundred, when seated at supper completely filled the Garden Room of the Mayflower Hotel.

German delicacies prepared under the expert direction of Mr. Sell, himself an excellent cook, featured the supper, as did steins of beer imported from Germany especially for the occasion. Moving pictures were shown and later there was dancing to the music of a genuine Bavarian orchestra.

Mr. Sell leaves in about two weeks for a visit to his mother in Berlin. During that time his assistant, Fraulein Stumpke, formerly secretary to the German Ambassador, will carry on Mr. Sell's newspaper and radio work in Washington.

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BRITISH SPENT $1,750,000 ON TELEVISION IN 1938

A disclosure that the British Broadcasting Corporation spent 352,846 Pounds (approximately $1,750,000) on television last year was made in the House of Commons recently by Sir W. Womersley, Postmaster General.

The British cabinet officer, however, was unable to answer a question as to how many television receivers are in operation in Great Britain although television has been on a public entertainment scale for three years.

The following is extracted from the official report of the parliamentary debate:

"Mr. R. Morgan asked the Postmaster General the present approximate number of licenses in force in respect of television receivers; the approximate annual revenue therefrom; the annual cost of the television service since its introduction; and who has borne the difference between this cost and the revenue from television licenses."

Sir W. Womersley: "The reception of television is at present regarded as covered by the ordinary wireless receiving licenses and no special television license is required. I am informed by the British Broadcasting Corporation that the annual revenue costs of the television service, together with depreciation on capital expenditure, were: in 1936, £111,500; in 1937, 277,149; in 1938, 352,846.

"The proportion of the revenue from wireless license fees paid to the Corporation during these years was increased to take account of the estimated cost of the television service."

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MUTUAL MARCH BILLINGS UP 31.8%

An increase of 31.8 percent in time billings for the Mutual Broadcasting System for the month of March, 1939, was reported last week. March billings totalled $306,976. Billings for March of 1938 were $232,877.

Billings for the first quarter of 1939 totalled $898,659, an increase of 15.8 percent over the first quarter of 1938. The first three months' billings of 1938 totalled $776,021.

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RADIO NOTABLES FIGURE IN HIGH SALARY LISTS

Persons prominent in the radio industry figured in the list of salaries of $50,000 or more in 1937 made public last week by the House Ways and Means Committee. Included were:

American Telephone and Telegraph Company: W. S. Gifford, President, Director, $209,650; C. M. Bracelen, Vice-President and General Counsel, $73,958; C. P. Cooper, Vice President and Director, $99,383; B. Gherardi, Short Hills, N. J., Vice President and Chief Engineer, $73,958; F. B. Jewett, Short Hills, N. J., Vice President, $64,166; A. W. Page, Huntington, L.I., Vice President and Director, $65,366; K. W. Waterson, Summit, N. J., Vice President, $50,565.

William S. Paley, Director and President, Columbia Broadcasting System, Inc., $190,196; Edward Klauber, Director and Vice President, $80,540; Maj. Edward Bowes, Executive Director, Edmar Enterprises, Inc., $427,817; International Telephone and Telegraph Corporation: Sosthenes Behn, President $66,240; Edwin F. Chinlund, Vice President (resigned) $60,960; Phillips H. Lord, President and Treasurer, Phillips H. Lord, Inc., $65,000;

A. J. McCosker, President, Bamberger Broadcasting Service, Newark, $88,363; Paul V. Galvin, Evanston, President, Galvin Manufacturing Corporation (Motorola), $60,420; Philco Radio and Television Corporation, Philadelphia; L. E. Bugg, Abingdon, President, $62,538; S. M. Ramsdell, Churchville, Vice-President, $54,611; David Sarnoff, President, Radio Corporation of America, $83,333; James G. Harbord, Chairman of the Board, $56,000.

Also, the National Radio Institute, Washington, D. C.: J. E. Smith, President, $36,000, and E. R. Haas, Treasurer, $36,000.

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GERMANY CONSIDERS GUATEMALA EXHIBITION

The German Post Office Department has again brought up the question of exhibiting television apparatus in Guatemala during the current year, American Commercial Attache, at Guatemala, reports. It was reported last year that the German Legation had asked permission to bring in television apparatus for exhibition at the National Fair in November, but no action was taken in the matter. The present reports do not say yet that permission has been granted, but they state that the Director of the Post Office has been asked for information as to the electric current of the city, the laying of an underground cable, and the availability of technicians to assist with the installation. A German engineer has been designated to supervise the installation if it is decided to carry out the project.

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TRADE NOTES

A meeting of the RMA General Standards Committee will be held at 10:00 o'clock, Wednesday, April 19, at the Hotel New Yorker, New York City, to consider several important proposed standards which are pending. On the following day and also at the Hotel New York,er there will be a meeting of the RMA Committee on Vacuum Tubes.

Station WHK, Cleveland, joined the Mutual Facsimile Network on April 8th, increasing the number of participants to four. Station WGN, Chicago, WLW Cincinnati, and WOR, Newark, are the original members of this experimental facsimile hookup.

The Federal Communications Commission has adopted a proposed modification of Ship Service Rules 285(c) and (d) and Coastal Service Rule 275 (c), in order to provide for the appropriate assignment of frequencies above 30,000 kilocycles, effective April 13, 1939, pursuant to revised Rule 229.

The Federal Communications Commission has postponed to July 1, 1939, the effective date of the revised rules governing commercial radio operator licenses.

Maj. E. H. Armstrong, of Columbia University, led a discussion on frequency modulation for radio, at a meeting of the Institute of Radio Engineers, in Washington this week. I. R. Weir, of General Electric Company, and G. W. Fyler, in the General Electric Radio Division, also spoke.

In connection with an expansion program, the Columbia Broadcasting System, Inc., paid $1,000 for all of the capital stock of the 49 East 52nd St. Corporation last month, according to an amendment to the company's registration statement filed with the Securities and Exchange Commission and made public this week at the New York Stock Exchange. The statement also revealed that Columbia lent $10,000 to its newest subsidiary on March 9, "for corporate purposes".

The statement also reports that contract between the broadcasting company and Isaac D. Levy, a Director, entered into on Dec. 27, 1938, has been terminated. The contract was ended last month when Columbia repurchased from Mr. Levy ten shares of the American Record Corporation for $112,500. Mr. Levy purchased, for others, the ten shares for $70,000.

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COLLIER'S CARRIES STORY ON ASCAP SERVICES

Under the title, "Pay the Piper", Collier's last week carried an article by Fred J. Ringel on the services performed by the American Society of Authors, Composers, and Publishers for the song writers. The article discusses the current controversy between the broadcasters and the music copyright owners and concludes that the only thing at issue is what constitutes a "fair" price for the music.

"Radio is afraid of ASCAP's present and potential power", Mr. Ringel writes. "ASCAP members write the smash hits that the public wants. Ninety per cent of radio songs are ASCAP tunes. A top feature like the Hit Parade consists almost entirely of ASCAP songs. In its nightmares radio sees ASCAP raising its price and refusing to renew the license until radio accedes to its terms. Radio is a "continuous-operation" industry, and could not afford to have such a strike last a day. For its show must go on, no matter at what price, even though its business heart may be torn with the sorrows of a Pagliacci!

"In the $250 minimum statutory damages fixed by law, radio sees a Damoclean sword hanging over its head. Radio cites a classic example of a well-known singer who, before going on the air, heard of the band leader's birthday. She interrupted her program to sing a few bars from 'Happy Birthday to You'. Two old ladies, the composers and copyright owners of the 'Happy Birthday' song, demanded and received a small sum for the performing rights. But since this program went over ninety stations, the ladies could have claimed ninety times $250. It is generally believed that each station in the hookup could be sued for copyright infringement.

"Radio wants the $250 minimum damages abolished. The author and composer should be allowed to sue for any amount that the infringement may warrant. But few artists are worldly and affluent enough to hire legal aid on a par with the networks' large expert staffs.

"Radio has fearfully witnessed ASCAP's phenomenal transformation from a crusading force into what it terms 'big business'. And radio knows it has been the unwitting creator of this new power . . . which it now regards as a Frankenstein. For twenty years radio has used every legal means to crush the monster - and for twenty years it has lost practically every important battle.

"More than 1,000 composers, authors and publishers belong to ASCAP in the U.S. About 45,000 foreign composers are affiliated with it. ASCAP now controls the exclusive right to license the public performance for profit of some five million of the world's most popular musical compositions. For the performance rights to this tremendous repertory the users pay ASCAP some $6,000,000 annually. (More than four million comes from

radio. Another million comes from the movie theaters - ASCAP's 10¢-per-seat-per-year share of the colossal $1,560,000,000 paid by the movie audiences at the box office every year).

"Apportioning the Society's income among its members is far more than a matter of adding machines - it is a matter of heartening sentiment as well. Four times a year a committee of twelve songwriters meets in solemn conclave and appraise their colleagues. These are rated, first, in a Permanent Class A Honor Group, which includes such veterans as Raymond Hubbell ("Poor Butterfly"), Harry von Tilzer ("Wait Till the Sun Shines, Nellie) and Percy Wenrich("Put on Your Old Gray Bonnet"). These composers are no longer actively writing but as the creators of songs that still enjoy a widespread popularity they are entitled to a fair emolument for the continued use of their work.

"The estates of about ninety composer or author members are protected from need by their shares of the Society's income. No ASCAP songwriter has been on the relief rolls; the Society distributes about $600 every day in relief and royalty advances.

"Top rating is Class AA. ASCAP pays composers in this group about $14,000 a year. It's the goal of every young composer; and boasts of such Tin Pan Alley gods as Irving Berlin, Jerome Kern, Rudolf Friml, Sigmund Romberg, the estates of Victor Herbert, John Philip Sousa, and George Gershwin. Thereafter the ratings taper off through classes A, B, C and D. These ratings are 'subject to change', but rarely does a member who has enjoyed a high ranking find himself consigned to a lower group.

"Radio endorses a good deal of ASCAP's mission and claims that it wants to deal with it as equal partners in a 'business' that is vital to them both. It wants to pay a 'fair' price - and most of the present difficulties seem to hinge on who is to determine what is 'fair'."

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CONFIDENCE MAN POSES AS RADIO REPRESENTATIVE

Chicago police on Sunday arrested what the New York Times correspondent called "a de luxe confidence man" who had posed as a representative of some of the leading mid-Western radio manufacturers. His career was ended because of the suspicions of a Chicago theatre manager after hundred of complaints had been registered against him from many parts of the United States.

The alleged swindler is Ronald Brawer, 34 years old, of Jersey City, N. J. The strange trail of Brawer's alleged crimes covers the nation from Boston to Hollywood and from Seattle to Miami. It started, police say, when he became Pacific Sales Manager for the Philco Radio Company and stayed long enough to

learn radio production and broadcasting technique thoroughly. For the last year he is alleged to have been passing himself off as a factory representative of Philco, Howard, Zenith, Stewart-Warner, or any other radio maker whose name happened to come handy. One of his pet victims was said to be the radio broadcasting studios. He would make it appear that he would sign a $100,000 contract for time on the air or agree to sponsor a fifty-two-week program, it is charged.

Then, in the flush of studio excitement over a big customer, he would let it be known that if any of the studio folk wanted a real radio at about a tenth of its actual value, he could fix that up, too, according to police, and then would accept $6 to $10 from half a dozen of the employees and vanish. Sometimes he gave bad checks when the studio demanded a deposit on the contract, it is alleged.

Once Brawer is alleged to have gone to the Union Pacific and chartered two trains to take Philco talent on a cross-country tour. Another time he is said to have ordered $1,700 worth of hats "for Philco". Again he "bought" $25,000 worth of toilet preparations from the Mennen Company and had the goods sent to Philco, it is alleged. He chartered a boat to Bermuda for a radio company, and he rented the Joseph Urban room of the Congress Hotel, in Chicago, and each time he sold radios to employees and pocketed the cash, it is alleged.

Complaints have poured into the police since the arrest. The Federal Bureau of Identification also has been investigating.

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SARNOFF LAUDS AMITY BETWEEN U.S. AND CANADA

Thankfulness that the United States and Canada do not have to regard the border radio station "as an instrument of nationalistic and hostile propaganda" was expressed by David Sarnoff, President of the Radio Corporation of America, last Saturday in felicitating the Canadian Broadcasting Corporation on the inauguration of service over its new 50,000-watt Station CBA.

"There are some nations in the world today", said Mr. Sarnoff, "where the installation of a powerful radio transmitter in a hearby country would not be welcome. It would be viewed with suspicion and distruct, as an instrument of nationalistic and hostile propaganda. Happily, no such spirit exists between the citizens of Canada and the United States."

Mr. Sarnoff, the only American participant in a dedicatory program heard over the nationwide networks of the Canadian Broadcasting Corporation, spoke from the National Broadcasting Company's studios at Radio City. His message was not heard in the United States. The Hon. C. D. Howe, Minister of Transport of the Federal Government; Mr. Leonard Brockington, Chairman of the CBC Board of Governors, and the premiers of Prince Edward Island, Nova Scotia and New Brunswick also spoke. The new Canadian station is located at Sackville, New Brunswick.

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HEINL RADIO BUSINESS LETTER

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No. 1116

THOMPSON TAKES OATH OF OFFICE; FCC IS QUIET

Frederick Ingate Thompson, Alabama publisher and for many years a Director of the Associated Press, took the oath of office as a member of the Federal Communications Commission Thursday afternoon as the FCC appeared to have settled down into an abnormal calm.

Filling the vacancy created by the resignation of Judge Eugene O. Sykes, Mr. Thompson is the first newspaper publisher to sit on the FCC. His appointment comes at a time when the Commission is confronted with an issue of whether or not to curb newspaper ownership of radio stations.

The ceremony took place in the office of Chairman Frank R. McNinch, who formally presented Mr. Thompson with his commission. He was sworn in by Miss Pansy Wiltshire, Assistant Personnel officer of the Commission.

Mr. Thompson had been in the Commission office several days prior to the ceremony familiarizing himself with its affairs, including the examination of records in a number of important cases. He will attend the first FCC meeting next Monday.

Meanwhile, with the special Television Committee of the FCC out of the city on a tour of television manufacturing plants and laboratories, the Commission appeared to have settled down, temporarily at least, with a truce declared on intra-Commission fighting.

The Congressional spotlight on radio appears to have shifted for the time being. Although there is little or no prospect of enactment of legislation to reorganize the FCC, there seemed to be still a chance that an inquiry may be ordered before Congress adjourns. Even this prospect has faded somewhat, however, during the last few weeks.

The main concern of the Commission at the moment is its appropriation for the next fiscal year. The House Appropriations Committee passed over the budgetary estimates early in the session when considering the Supply Bill for Independent Offices on the ground that a FCC reorganization was expected.

A resolution renewing the FCC's current appropriation for another fiscal year probably would be enacted by Congress, if no previous action is taken, just before expiration of the present fiscal year on June 30th.

This would mean, however, that the additional appropriations asked by Chairman McNinch for expansion of Commission activities, particularly in the publicity field, would be denied.

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TWO NEW STATIONS AUTHORIZED BY FCC

Construction permits for two new radio stations were granted this week by the Federal Communications Commission. The approved applications were by:

McComb Broadcasting Corp., McComb, Miss., for 1200 kc. with 100 watts power, daytime.

Clifton A. Tolboe, doing business as the Citizens Voice and Air Show, Provo, Utah, for 1210 kc. with 100-250 watts power, unlimited time.

The FCC also approved the transfer of Stations KHSL, Chico, Calif., and KVCV, Redding, Calif., from the Golden Empire Broadcasting Co. to Ray McClung, Horace E. Thomas, and Stanley E. Pratt, Jr.

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NEW LIST OF INTERNATIONAL STATIONS ISSUED

A revised world list of international broadcasting stations, up to date as of December 1, 1938, has just been issued by the Federal Communications Commission.

An excellent reference log for short-wave listeners, the list of stations covers 21 mimeographed pages. Stations are listed according to frequencies.

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The Italian Broadcasting Company has started broadcasting amateur hours from three of its transmitting stations: Turin, Milan and Rome. The object of these programs is two-fold: to create a new form of attractive program and in particular to bring to light such artistic material as would otherwise remain unknown. This idea, of course, is not new to other countries though it is being undertaken for the first time in Italy.

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G.E. ANNOUNCES FIVE TELEVISION RECEIVER MODELS

Five television receiver models, ranging from a picture receiver with sound converter to consoles combining television and all-wave radio, have been announced for Spring production by the General Electric Radio and Television Division, Bridgeport, Conn. For more than a year, General Electric has been designing television receivers, testing them, and building them on a production line at Bridgeport, but the sets covered by the present announcement are the first which will be offered for sale to the public, according to E. H. Vogel, Manager of the Division.

Smallest set in the new line is the HM-171, which is a table-type picture receiver with sound converter. It can be used to receive television pictures without sound, or can be used in conjunction with special types of radio receivers which will be made available later. The table model employs a five-inch picture tube, included in the complement of 17 tubes. Front controls include brightness, contrast, focus, and tuning, and rear controls include horizontal and vertical size, hold, centering, and distribution. The set stands 14½ inches high and is approximately 20 inches wide and 19 inches deep.

Model HM-185 is a console-type television receiver for both sight and sound, employing a five-inch picture tube. It has 18 tubes in all, has average high-fidelity audio, and is 38 inches high, 23 inches wide, and approximately 18 inches deep. Controls are similar to those on the smaller set with the addition of volume and tone control.

Model HM-225 is a console-type television receiver for sight and sound employing 22 tubes, including a 9-inch picture tube. It has two chassis, video-sound and power, and high fidelity audio. This model is slightly larger than the HM-185, and controls are similar.

The two remaining console models, the HM-226 and the HM-275, combine all-wave radio and television receiver features. The former employs 29 tubes and the latter 30 tubes, including a 12-inch picture tube. Each has a video-sound, power, and radio chassis.

Approximate price range of the new television receivers is from $250 to $1000.

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WALKER ADDED TO TELEVISION COMMITTEE OF FCC

Commissioner Paul Walker this week was added to the Special Television Committee of the Federal Communications Commission which is now on tour of television plants and laboratories in the East.

Other members of the Committee are: T.A.M. Craven, Norman S. Case, and Thad H. Brown.

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N.Y. ASSEMBLY PASSES RADIO LIBEL BILL

The New York Assembly passed and sent to the Senate this week the Moffat bill extending protection, under the libel and slander laws, to radio broadcasting stations.

The bill provides that no libel or slander action may be maintained against a reporter, announcer, commentator, speaker, editor, broadcaster or proprietor of a radio broadcasting system for the broadcasting of "a fair and true report, oral or written, of any judicial, legislative or other public and official proceedings, or for any title or headnote to such a report which is a fair and true title or headnote thereto."

The purpose of the bill, according to its sponsors, is to extend to radio stations the same privileges enjoyed by newspapers.

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RADIO SALES MOUNT DURING MARCH

Dealers reports of radio set sales during March pushed the Radio Retailing barometer to 119, or 6 points higher than it stood in the previous month,--February, and 19 per cent above the same month of 1938.

The market increase in unit sales was matched in many territories by an increase in dollar sales volume as well, showing that more of the higher priced table models and some consoles are being sold.

But dealers in some of the larger cities still report that the increase in unit sales is due largely to moving of the small or midget sets without a corresponding boost in dollar volume.

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RESOLUTION ASKS GALLERY PRIVILEGES FOR RADIO

A resolution extending gallery privileges to radio on an equal basis with the press was introduced in the House of Representatives this week by Representative John Dempsey, (D.), of New Mexico. The resolution is similar to one introduced on the floor of the Senate by Senators Gillette (D.), of Iowa, and Barbour (R.), of New Jersey, extending Press Gallery privileges to radio at that end of the Capitol.

Both resolutions resulted from an application by Fulton Lewis, Jr., of the Mutual Broadcasting System.

Mr. Dempsey is the father of William J. Dempsey, General Counsel of the Federal Communications Commission.

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GERMANY EXPANDS ETHER HOLDINGS WITH TERRITORY

The latest changes in the map of Europe have altered considerably Germany's position in the "ether", according to World Radio. The Reich has become the owner of another seven transmitters for broadcasting in the medium and long wavebands, with a total aerial power of 308.5 KW, making a total of 41 stations, and 1,426 KW.

"The Czecho-Slovak program organization will continue independently of the R.R.G., but the German Post Office has taken over the entire Post and Telegraph Administration and with it the broadcasting transmitters", the B.B.C. periodical states. "The Czecho-Slovak short-wave broadcasting stations also pass into the hands of the German Post Office, but their power, and that of the Zeesen short-wave stations, are not included in the totals mentioned.

"Germany acquires no fewer than three new exclusive wavelengths, two of which are in the 300-400 metre band, and one in the 400-500 metre band. This gives Germany a total of fifteen exclusive waves, compared with Britain's present five.

"A glance at the map will show that, with her fifteen exclusive waves, most of them in the 300-500 metre band, Germany has vastly improved her ether position. The stations taken over are: Prague, Melnik, Banska-Bystrica, Presov, Moravska-Ostrava, Brno, Bratislava, and, of course, Klaipeda (Memel).

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SUMMER RADIO COURSE OFFERED BY N.Y.U.

A Summer course in radio station operations will be offered from July 5 to August 12 at New York University's "Radio Workshop".

On the teaching staff is Douglas Coulter, Assistant Program Director of CBS; Robert S. Emerson, Assistant in Production for CBS; Earle Lewis McGill, Casting Director for CBS; Max Wylie, Director of Scripts and Continuity, CBS; and Philip Cohen, Production Director of the Radio Division of the U.S. Office of Education.

Courses include "The American System of Broadcasting", Radio Script Writing, and Principles and Problems of Radio Speech, Radio Production.

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"STEREOSCOPIC" TELEVISION SUGGESTED BY BRITISHER

A London correspondent of World-Radio suggests that television transmission be given the depth of the old-fashioned stereoscope with which every American parlor was equipped a generation ago.

The editor of the BBC organ points out that the suggestion involves the use of a second transmitter, "in itself a considerable obstacle".

"As one who views with interest all progressive developments in the world of radio, I now look forward to the time, perhaps in the not-so-distant future, when we shall have stereoscopic television as an outstanding reality", the correspondent wrote.

"Any one who has viewed stero photographs cannot fail to appreciate the difference from the 'flat' picture as seen in an ordinary single photograph. So, presumably, we shall require, on the transmission side, two separate channels for the vision waves, and one for sound - a double camera, each half of which will control the vision waves respectively.

"At the visual end, arrangements would be made to receive the two vision waves simultaneously, either by means of an entirely separate assembly of components or, preferably, on one vision receiver specially designed to receive the two waves, enabling two pictures to be received side by side by means of two cathode-ray tubes with suitable adjustable reflectors to bring the left and right pictures at the correct distance, apart for the requisite adjustment necessary for stereoscopic viewing.

"We may even look further ahead, to see the two pictures produced on one cathode-ray tube possessing a double array of electrodes.

"Fantastic - or isn't it?

"The actual size of the respective pictures would be on the small side, but this would be overcome by magnifying eye-pieces producing the illusion of viewing the scene projected as seen by the camera operator - in other words, a 'front stall seat.'

"By reflective or refractive means, the cabinet housing the stereo receiver would be fitted (where necessary according to the particular household demand) with two or more eye-piece assemblies.

"As British television leads the world, let us see to it that we do not lose that pre-eminence."

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S-W STATIONS SEEK TO IMPROVE U.S. SERVICE

Reports of reception in foreign countries of programs transmitted by international broadcast stations in the United States indicate no material improvement in reception during the last year", the FCC stated in its annual report. "This supports other evidence to the effect that the use of both increased station power and directional antennas is necessary to provide reliable broadcast service to certain foreign areas", it added. "Certain licensees have manifested an interest in better coverage as evidenced by the fact that several were increasing station power and erecting or improving directional antenna systems at the close of the fiscal year. The extent of the improvement in service which would result cannot be accurately predicted and it will necessarily take considerable time to collect information based upon actual observations.

"Increases in station power result in a stronger signal and a better signal to noise ration, thus improving reception through interference With the use of conventional antenna systems the signals are radiated equally in all directions, and when the purpose is to reach a particular foreign area with a broadcast much of the energy radiated serves no useful purpose. The use of directional antennas concentrates the energy in the desired direction within the confines of certain horizontal and vertical angles determined by the design and adjustment of the system, thus materially improving the signal intensity in the country to be served."

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TRADE NOTES

The fifth annual statistical number of "Electrical and Radio World Trade News" is now nearing completion and will be sent to all subscribers when issued by the U. S. Bureau of Foreign and Domestic Commerce. It contains statistical tabulations of electrical appliances and radio sales for the year 1938 - statistics of the electric power industry in the United States - statistics of the electric power industry in foreign countries - details of the radio broadcasting industry - statistics showing U.S. exports of electrical and radio goods for 1939 and prior years. Single copies may be purchased for ten cents each.

Variety reports the rumor that Roy S. Durstine, who resigned this week as President of Batten, Barton, Durstine & Osborne, may become Vice-President in Charge of Sales of the Columbia Broadcasting System.

Leaders in the radio industry will participate in the "World of Tomorrow" dinner at the Hotel Waldorf Astoria on April 20th to celebrate the opening of the World's Fair. Among those who have agreed to participate are: Maj. Gen. James G. Harbord, Chairman of the Board of the RCA; Alfred J. McCosker, President of the Bamberger Broadcasting Corp.; and Lenox R. Lohr, President of the National Broadcasting Company.

It is estimated that for each licensed radio in India there are two unlicensed ones, many of which are home made. The Posts and Telegraphs Department has been very busy in Bombay, Calcutta and elsewhere trying to run down the "pirates" by means of "detector vans", which cruise the city constantly. They locate the radio and then go in to inspect the license, or take the name and address, checking them against the records. Four persons were convicted in Cawnpore recently for possessing unlicensed sets, and it is stated that the campaign has had some effect, particularly psychologically.

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CBS SIGNS $6,313,829 BUSINESS IN 30 DAYS

With a total of $6,313,829 in gross business (new contracts: $4,058,433; renewals: $2,255,396) signed by the Columbia Broadcasting System within the past 30 days, CBS clients are completely reversing the seasonal radio trend in their arrangements for this Summer, and year-round schedules.

"The number and volume of these contracts closed by Columbia during the last month indicate a striking upturn in radio advertising of all lines of industry", CBS stated. "Foods, tobaccos, fuels, drugs -- all are represented in these increased investments, including 14 new and 5 renewal contracts, as of April 12th."

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TRAMMELL PREDICTS SUMMER ADVERTISING INCREASE

Indicative of a definite increase in Summer advertising, according to Niles Trammell, Executive Vice President, the National Broadcasting Company during the past few weeks has participated in eight time sales, effective this Spring and Summer. It also indicates, Mr. Trammell said, that 1939 will be NBC's most successful year.

Last week the NBC announced three gross revenue records, with March, 1939, expenditures on the NBC networks hitting an all-time high of $4,170,852; the Red network in March establishing a high mark for any single network of $3,132,832, and the first-quarter figures for both networks soaring to $11,953,447. With $1,038,020 in March, the Blue network registered its high mark since October, when NBC began issuance of separate figures for the two networks. The billings for March, 1939, showed an increase for the sixteenth successive month, the percentage change over March, 1938, being -9.6.

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CBS INCREASES TIME DEVOTED TO PUBLIC AFFAIRS

Broad expansion of its programs on public affairs and education to keep pace with world news and listener-preferences was made by the Columbia Broadcasting System in the first quarter of 1939, as compared with the same period in 1938, a survey of network programs has revealed, the Columbia Broadcasting System states. The increases in time and number of programs were noted in the fields of education, religion, news,agriculture, labor and sports. Statistics compiled show that under the general heading of education, which includes serious music, adult education, children's programs, international affairs, national and political affairs and drama, CBS broadcast 731 programs during January, February and March, 1939 as compared with 645 programs during the same period of 1938.

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2400 CALIFORNIA STREET WASHINGTON, D. C.

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TELEVISION COMMITTEE SEEKS ADDITIONAL INFORMATION

Upon its return to Washington after visiting Eastern television laboratories, the Television Committee of the Federal Communications Commission announced that it intends to proceed forthwith to secure additional pertinent information concerning all of the aspects of this question from other television leaders in other sections of the country. It may be necessary, in the judgment of the Committee, to hold public hearings before submitting its final report to the Commission.

"The Television Committee is of the opinion that undoubtedly the technical development of television has progressed remarkably during the past year, and that all concerned in its development are now at a fork in the road with respect to the next phase of providing television as a practical service to the public", the report states. "The Committee ascertained that there are two divergent schools of thought as to which method should be followed at this particular stage of development in initiating television as a service to the public. One group asserts the view that from a technical standpoint as represented by the standards proposed by the Radio Manufacturers' Association, television is now ready for public participation through the purchase of receivers. Another group maintains the view that the proposed standards are not sufficiently flexible to permit certain future technical improvements without unduly jeopardizing the initial investment of the public in receivers."

Significant of the importance which the Commission attaches to the recent developments in television is the fact that Commissioners George Henry Payne and Paul A. Walker joined the Committee during the week of the tour in the East and participated with them in the various inspections and conferences. The other members of the Television Committee are Commissioners T.A.M. Craven, Chairman, Thad H. Brown and Norman S. Case.

"The Commission has hitherto kept abreast of the development of television but until recently has not found it necessary to take any action tending to affect the details of the technical development of the art", the Committee report continues. "However, by reason of the action of the Radio Manufacturers' Association in proposing that the Commission approve certain technical standards pertaining to the operation of radio television transmitters which may be licensed by the Commission in the future, it has been necessary for the Commission to secure additional information in order to be fully assured that the interest of the public is safeguarded. The Television Committee was appointed by the Commission to make such an investigation and report.

"The Committee has deemed its duty to be, in accordance with the continuing policy of the Commission, to encourage American inventive genius and private enterprise to further its remarkable efforts toward the accomplishment of the necessary improvements in the technical quality of television, and at the same time to consider the interest of the public. The Committee hopes that private enterprise and inventive genius may be able to develop a practical system of television which will permit the early inauguration of this service to the public, but which, at the same time, will permit considerable future improvements in quality without too rapid an obsolescence of receivers which may be purchased by the public."

The Committee visited and conferred with the Farnsworth Television Company and the Philadelphia Storage Battery Company in Philadelphia. In New York the Committee conferred with representatives and inspected the developments of the National Television Corporation, and conferred with representatives of the International Television Radio Corporation as well as with Major Armstrong, an inventor. In addition, in New York the Committee conferred with representatives of the General Electric Company, witnessed demonstrations and conferred with officials of the Radio Corporation of America, the Bell Telephone Laboratories, the Columbia Broadcasting System and the DuMont Laboratories.

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ADHERENCE TO COPYRIGHT CONVENTION RECOMMENDED

The Senate Committee on Foreign Affairs has reported favorably without amendment United States adherence to the International Convention of the Copyright Union as revised and signed at Rome on June 2, 1928. Ratification by the Senate automatically will bring under the copyright laws of the United States a large quantity of musical compositions which heretofore have not enjoyed copyright protection in this country.

The State Department has been endeavoring to obtain ratification of the Convention for a number of years as a part of its foreign trade relations program, but heretofore the Senate has refused to ratify until amendments to the Federal Copyright Law are passed which would bring the copyright law into conformity with the provisions of the International Convention.

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LISTENERS ONLY CENSORS, INDUSTRY HEADS ASSERT

Opening the NAB-RMA good-will promotion campaign, Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association, and Neville Miller, President of the National Association of Broadcasters, on Sunday declared in a nation-wide broadcast that listeners are the only radio censors in the United States.

The colloquy was carried over an NBC-WJZ network and marked the beginning of a campaign that will be conducted on the networks, independent stations, and among dealers for the next several weeks.

An announcer in New York introduced the two industry heads - the first time they had been on the air jointly as representatives of the two major divisions of the radio industry. A part of the program follows:

ANNOUNCER: (from New York) "Ladies and gentlemen, do you like to listen to your radio? We think you do. In fact, we know you like to listen! In fact, you want to listen so much you own forty million, eight hundred thousand radio sets as of January 1st last - more than half of all the radio receivers in the world, owned and used by American radio listeners!

"And because you want to listen, not only have you created a giant new industry giving employment to hundreds of thousands of people, but you have also made possible the development of a mighty social force in America: The American System of Broadcasting."

BOND GEDDES: "Judging from recent events abroad, Mr. Miller, other nations do not enjoy the blessings of radio as we enjoy them in America."

NEVILLE MILLER: "The chief distinction of American radio is that its programs come without cost and without censorship. American radio is free to bring us the news of the day as it happens; free to bring us both sides of public questions; free to present candidates for public office, the 'outs' as well as the 'ins'."

BOND GEDDES: "I doubt if any other system has been so competitively devised, which forces radio stations to compete at all times for the favorable ear of the listener."

NEVILLE MILLER: "Competition is the heart of American radio. If a station fails to please its listeners, it naturally will lose those listeners, and ultimately its economic support to carry on. Such competition has given America the finest radio service in the world.

BOND GEDDES: "But the finest thing about it, to me, Mr. Miller, is the fact that no one can compel us to listen and no one can prevent us from dialing off. . . ."

NEVILLE MILLER: "In other words, Mr. Geddes, the American thumb is good for something else besides hitchhiking....."

BOND GEDDES: "Right.....we are our own radio censors in the United States."

NEVILLE MILLER: "And that, Mr. Geddes, is what we mean by the American System of Broadcasting."

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FCC ORDERS INQUIRY OF MULTIPLE PRESS SERVICES

The Federal Communications Commission this week ordered an investigation of Multiple Press Services as conducted by Mackay Radio and Telegraph Company, Radiomarine Corporation of America, Tropical Radio Telegraph Company, and Globe Wireless,Ltd.

The Commission plans to investigate the practice of these companies in engaging in business in the dual capacity of news dispensers and communication companies without showing in their tariffs the charges made for the communication service as separated from the charges made for the news services. This practice involves the use of point-to-point radio stations, licensed for public communication service, to transmit news bulletins, which are purchased from a press association, to subscribers only.

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ELLIOTT ROOSEVELT QUITS HEARST RADIO, INC.

Elliott Roosevelt, sone of the President, last week announced his retirement as President of Hearst Radio, Inc. Young Roosevelt, made president of the once widespread Hearst radio interests in 1936, asked the Board of Directors that his resignation be made effective at once. He felt "under the circumstances" that he could be "of little further service to the organization." He also resigned as a Director.

He has devoted almost all of his time in recent months to the Texas network, of 23 stations, which he started September 15, 1938, as President. Remaining stations owned by William Randolph Hearst, the newspaper publisher, are WCAE, Pittsburgh; WBAL, Baltimore; WISN, Milwaukee, and KYA, San Francisco.

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BILL WOULD BAR UNAUTHORIZED RECORDINGS

Representative Schulte (D.), of Indiana, on Monday introduced a bill to amend the Communications Act so as to prohibit "any person, without the consent in writing of the performer or performers of said music or other program material" to either reproduce or sell recordings of such programs.

All records produced in violation of the law, the bill provides, could be seized under direction of the Attorney General and be destroyed.

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SELDES TO STUDY BBC TELEVISION; CBS HIRES MUNRO

Gilbert Seldes, CBS Director of Television Programs, leaves for London April 21st, to study current developments of the British Broadcasting Corporation with Donald Hunter Munro, Television Production Manager for BBC. He will return to New York May 12th with Mr. Munro, who will serve CBS in an advisory capacity for a month in connection with the System's completion of arrangements for experimental television. Present plans call for commencement of regular test telecasts by Columbia some time in June. Installation details are now being completed at CBS's transmitter tower atop the Chrysler Building.

Mr. Munro joined the BBC in 1926 as an announcer at the Aberdeen station, came to London in 1929 as Productions Assistant, and was intimately concerned with developments in multi-studio presentation involving the use of the then new dramatic-control panel. As the operator of an advanced type of control panel, Mr. Munro was responsible for coordinating the "Round the Empire" broadcast of 1932, in which King George V gave the first of his memorable series of Christmas messages to the world.

When Gerald Cock was appointed Director of Television in 1935, he chose Mr. Munro as Productions Manager. The appointment brought with it an entirely new set of problems, as no precedent existed for the organization of a high-definition television service. Since the start of the service in the Autumn of 1936, Mr. Munro has been responsible for studio organization and general routine, and he has produced more than a hundred television programs.

Leonard H. Hole, Director of Program Service Department at CBS, became Manager of Television Operations this week. He will directly assist Mr. Seldes and will handle administrative and coordinative problems involved in actual television operations. Francis C. Barton, Jr. has been appointed as Mr. Hole's successor in the Program Service Department. He has been serving as Assistant Director for a year.

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STUDENTS CITE VALUE OF RADIO TO CLASSROOM

Listening and learning by radio as a modern improvement over the three R's is urged in American schools by students of Westminster College, Fulton, Mo., as shown in the results of a survey released by Dr. Franc Lewis McCluer, President of the college.

Three out of four students saw possibilities for the use of radio in the classroom, the survey showed.

Westminster College, a men's school of limited enrollment, circulated the questionnaire to determine student views as to the value of radio, not only in the classroom but as an educational medium for general use. The majority of students proved to be regular listeners.

Radio could be used most profitably in history,music and political science, the students thought, one student pointing out that "history is being broadcast in the speeches of the Hitlers, Chamberlains and Roosevelts of the day". One comment was that such speeches should be heard in the classroom and then discussed under guidance of teachers.

Several students pointed out that broadcasts of speeches in foreign languages would aid language classes.

One student thought that television would enable the study of "real life activities in the classroom"..

Other comments on the question -- "Do you believe the radio can be used advantageously in the classroom?" -- were:

"World authorities can be brought to students at nominal expense";

"To keep up with world affairs and politics and intelligent dramatization of great literary works";

"To further development of appreciation of fine things in life such as good music, plays, etc.";

"In modern study of world movements and government, it can bring the person directly to the scene."

A great majority of answers stated that radio excels in bulletin reporting, but that newspapers excel in completeness and permanent record. The questionnaires recorded news reporting as radio's greatest value, with musical entertainment, dramatic entertainment, propaganda and sports reporting following in that order.

The survey found that of radio programs the Charlie McCarthy show "contributes most to a wholesome national sense of humor", although Jack Benny was found to be the most popular male radio star. Dorothy Lamour led as the most popular feminine star.

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FIRST CLASS GETS DIPLOMAS VIA TELEVISION

Unique graduation exercises, in which the graduates received their diplomas by television, were held at the Massachusetts Television Institute, Boston, last Saturday night, when the Institute graduated its first class of television engineers.

Standing in front of the television camera which the young men have been studying, President Porter H. Evans of the Institute presented diplomas to ten young men - while in an auditorium in another part of the Institute building the audience, composed of relatives and friends of the graduates, saw and heard the presentation over a television receiving set.

The "image" was about 9" x 12", sharp and clear. The set over which it was received had much the appearance of the cabinet in which a modern radio receiving set is housed.

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RADIO CELEBS AT GRIDIRON

Among those identified with the radio industry who attended the Gridiron Dinner in Washington last Saturday night were:

M. H. Aylesworth, World Telegram, N.Y., former President of the NBC; Gene Buck, President, American Society of Composers, New York; Edward Klauber, Vice-President, Columbia Broadcasting System, New York City; Frank Mason, Vice-President, NBC, New York City; Edgar Morris, Zenith Distributor, Washington; Richard C. Patterson, Jr., Assistant Secretary of Commerce, former Vice-President of NBC; Louis Ruppel, in Charge of Press Relations of CBS, New York City; David Sarnoff, President, RCA, New York City; F. I. Thompson, new Federal Communications Commissioner; W. H. White Jr., Senator from Maine on on Senate Interstate Commerce Committee; and Frank Wozencraft, RCA counsel, New York City.

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CHRISTY SAYS TELEVISION WILL AID ART

Howard Chandler Christy, the artist, is enthusiastic about what television may do toward popularizing art. In Washington for the Gridiron Club dinner Saturday, he said:

"Wonderful things are going to happen to art. As things are now, fine music is the best understood of all arts in this country. But there's no reason why television shouldn't mean as much to painting as radio has to music."

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RADIO CENSUS HELD AID TO NATIONAL DEFENSE

Accurate figures on the number of radio receiving sets in use is vital, not only for the purpose of regulating the industry, but also from the viewpoint of national defense and other emergencies, according to the Federal Communications Commission.

The Commission is trying strenuously to have the Census Bureau include this item in its 1940 census-taking operations. The Bureau has tentatively contended that radio is just another gadget, like electric refrigerators in the home, and it doesn't take these into account in its decennial censuses. However, 10 years ago neither of these two were outstanding items in the homes of many, but some information was collected on radio.

The Communications Commission indicates it is going to make an effort to gain this information, and has called on the Budget Bureau to aid in impressing the Census Bureau with the importance of such a census. The FCC also has warned that if the Census Bureau doesn't do something about it, the Budget Bureau is going to be faced with a special request for funds to obtain the information. This might be much more expensive than having the census takers collect it while finding out how many people there are in the United States, it is said.

Officials at the Census Bureau say the radio request is on a list with about 40 others seeking data to be taken next year. Among these is a request to determine how many homes are wired for electricity. Some, or all, may have to be eliminated, because of the limitation of funds, it is said. The census officials are hoping the radio problem will be taken care of by legislation for a special census on housing next year. At the Census Bureau, officials say, a decision on the FCC's request cannot be given until after the adjournment of Congress.

In pressing its claim for consideration of its request, the FCC wrote the Census Bureau that the data are of national significance from many viewpoints and cited such emergencies as disasters involving disruption of communication. It was contended also that such data will aid in administering the Communications Act. These matters, the Commission said, are believed to set radio receivers apart as social instrument, distinguishing them thereby from the category of ordinary household electrical appliances.

The Commission said it desired to emphasize that the information sought is important from a Federal licensing standpoint, and the request involves no commercial consideration. The sociological import of the use of radio receivers, it added, can hardly be overestimated.

The Commission declared that in dealing with the problem of licensing, it is necessary, among other things, to know the areas where the greatest amount of broadcast listening occurs and to draw comparisons between listening areas. In situations involving national defense, it is important to know the percentage of population which may be reached in given areas through radio.

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TRADE NOTES

The Federal Communications Commission on April 10th granted two applications by the United Press for portable relay press radio stations. The assigned frequencies will permit the U.P. to operate radio sending and receiving service from remote points anywhere in the U.S.

A dozen special programs have been scheduled by the Columbia Broadcasting System in cooperation with the campaign of the National Association of Broadcasters to acquaint the people with radio's service, methods, and aims. CBS thereby lends its coast-to-coast voice to the entire broadcasting industry, which now, for the first time, has decided to speak for itself. Executives of both CBS and NAB hope to demonstrate clearly the part radio plays in the life of the nation.

The Portland (Ore.) Oregonian and the Portland Journal, which dropped their radio comment columns July 3, 1938, restored the columns recently following "an insistent demand by the public" for more information than was given in the program logs. The Spartanburg (S.C.) Herald and Journal recently resumed publication of local and major network radio programs, discontinued eight years ago.

David Sarnoff, President of RCA and Chairman of the Board of NBC; Lenox R. Lohr, President of NBC, and Grover Whalen, President of the New York World's Fair, will speak during dedication ceremonies at the RCA exhibit building at the Fair and will be heard on Thursday, April 20, from 12:30 to 1:00 P.M., EST, over the NBC-Red Network. At the same time, the speeches and dedication ceremonies will be televised and seen by viewers in the RCA Building in Radio City.

An Asheville, N.C. distributor of a correspondence course for radio operators, has entered into a stipulation with the Federal Trade Commission to cease using the name "Association Western Union Employees" in his advertising literature when such literature is neither published nor sponsored by such an association. Walter H. Candler, distributor of this course, who is in business under the name Candler System Company, publishes "Telegraph World" and circulates it widely, according to the stipulation.

In his stipulation, Candler also agrees to cease overstating and misrepresenting the demands and opportunities for employment in the radio communication field, and to discontinue representing that Candler training provides world-wide travel, adventure and good pay, and that an employment service is available to Candler graduates without cost.

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TELEVISION ON "BORDERLINE", CRAVEN SAYS

The belief that television is "somewhere on the borderline" between the first and second phases of its development, and that it must enter the third and final stage of a business than can support itself before it becomes a medium of wide public use and entertainment, was expressed in New York Saturday by Commander T.A.M. Craven, Chairman of the Television Committee of the Federal Communications Commission, according to the New York Times. He declined to speculate on how soon television entertainment may be expected to pass definitely into the final stage.

It would be unfair to say at this time, Commander Craven continued, whether the proposed RMA standards for television, or other technical standards, have been favored by a majority of the engineers and concerns visited so far.

He and the other Commissioners agreed it was "absolutely imperative" that the new medium be launched under definite standards, which would make it possible for a television set owner to take his receiver into any part of the country without encountering technical factors making the set inoperative without alterations.

Commander Craven said the FCC Committee regarded television as a "very formidable problem". Asked when the FCC would favor the industry's "going commercial", he indicated that such day might be far in the future.

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CROSLEY TELEVISION WORKSHOP CLUB ORGANIZED

The first meeting of the newly formed Crosley Television Workshop Club was held last week in the new television studios of the Crosley Corporation, situated on the 48th floor of the Carew Tower, high above downtown Cincinnati. Open to members of the staff of WLW and WSAI, the Club was organized for the purpose of acquainting artists and office members with the mechanics, limitations and production problems of television.

James D. Shouse, Vice-President of the Crosley Corporation in Charge of Broadcasting, said: "We have on our staff several men who have had considerable experience both on the stage and in Hollywood. To point out to these men the possibilities of television and how they can best utilize their past experiences, is the purpose of the Crosley Television Workshop Club. Furthermore, nearly all employees of WLW and WSAI have shown a keen interest in this latest radio art, and we believe this curiosity should be satisfied so that everyone can contribute to a more successful operation of television."

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PHILCO ANNOUNCES TELEVISION LINE; WARNS BROADCASTERS

Television reception, as exemplified by the progress made in laboratories such as Philco's has reached a high level of efficiency, according to Sayre M. Ramsdell, Vice-President of Philco Radio & Television Corporation. Reception, however, is not the chief problem confronting television as an industry, Mr. Ramsdell added.

"That problem", he said, "is largely in the hands of those concerned with television broadcasting. Television, from the point of view of reception and receivers, is ready to assume its role as the giant industry it should become. However, the problems of broadcasting television have been slower in solution and the progress in the broadcasting end has fallen behind that attained in reception."

Mr. Ramsdell announced that a new line of television receivers would be introduced at the national convention of Philco Radio & Television Corp. to be held at French Lick Springs, Ind., from May 15 through 19.

"These receivers", he explains, "will be entirely new in performance, appearance and developments. They will represent a marked advance in television, embodying improvements as yet unannounced. Television receivers will be sold to the public through radio dealers, whose experience and facilities, from both a merchandising and technical standpoint, make them an ideal medium on a nationwide basis. Television receivers can be sold on such a nationwide basis, but, as yet, television broadcasting cannot follow them and is limited to a handful of metropolitan centers. Television as an industry must wait for the broadcasters."

Companies involved in the development of television receivers, Mr. Ramsdell believes, should be prepared and willing to lend the broadcasting end all the aid possible in overcoming the present obstacles.

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WOZENCRAFT, SHUNS TELEVISION, TALKS OF SCOUT WORK

First among the things of importance to the men and women of America today, Frank Wilson Wozencraft, lawyer, of New York and Dallas, Tex., lists the "building of character and citizenship in the youngsters of the land", the Washington Post reported Sunday.

General Solicitor for the Radio Corporation of America, Mr. Wozencraft has nothing to say about television - because "nobody comes to the Gridiron to talk business - but he will talk about his hobby - Boy Scout work", the Post said.

"This Boy Scout movement is probably the most democratic one in America", he says. "The boys do for themselves under the leaders of volunteers who are genuinely interested in them. It has meant much to the country, and will mean more. It is growing."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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CHAIN-MONOPOLY INQUIRY ENDS; REPORT INDEFINITE

Culminating hearings that extended over six months, the chain-monopoly investigation of the Federal Communications Commission was concluded this week although it was explained that the Special Committee may recall any witnesses it wishes to amplify previous testimony.

Just how soon a report may be expected from the Committee is conjectural, but an FCC spokesman expressed the belief that it will be ready before Congress adjourns.

The Commission is now engaged in frequent conferences on the telephone report, which has been lying idle for more than a year. This report to Congress, which will displace the "proposed report" drafted by Commissioner Paul A. Walker following a prolonged investigation, is expected to be released within a few weeks.

The major reform that is expected to come from the chain-monopoly investigation is stricter regulation of the networks by the Commission, especially over management contracts between the chains and affiliated stations.

Louis Caldwell, counsel for the Mutual Broadcasting System, threw a bombshell into the last hours of the inquiry when he demanded that the FCC issue an order to restrain NBC and CBS from extending present station contracts until December 31, 1940.

The move met strenuous objection from John J. Burns, representing the Columbia Broadcasting System. Commissioner Walker said the Commission would take the motion under advisement, as it would also the motion of Mr. Burns to strike that of Mr. Caldwell out of the record as irrelevant.

Mr. Caldwell declared the evidence introduced in the last few days indicated that the large networks were attempting now to secure new contracts with affiliated stations and to extend present contracts until 1946. According to Mr. Caldwell, these acts would nullify the whole work of the investigation.

The contracts, Mr. Caldwell insisted, have a number of questionable features that have been the subject ot scrutiny by the Commission's staff and of complaint and objection by independent broadcast stations and other parties. Those he named were the exclusive contracts by which an affiliate station is forbidden to receive programs from any other national network.

Another feature, he explained, is network auction time varying down from 100 percent, and long-term contracts, particularly those proposing to extend the relationship between the networks and the stations over a period of five years.

A proposal for governmental licensing of radio network systems under the same conditions by which radio stations are now licensed was made before the Committee by Elliott Roosevelt, second son of President Roosevelt.

It was Mr. Roosevelt's third appearance before the Committee.

Before he testified, the Committee heard Fred Weber, General Manager of the Mutual Broadcasting System, tell of practices of the large national networks which, the witness said, prevented development of another network to meet demands by the stations themselves and the public in various sections.

Broadcasting stations, Mr. Roosevelt testified, are actually not in control of their time when it is being used by regional and national networks. He cited recent instances where stations had been taken to task by the FCC because of certain programs alleged to be not in the public interest. He said in such cases the stations had no prior information concerning the material to be broadcast, and merely had turned their facilities over to the networks under their contracts.

He said the only remedy for such a situation would be to have networks licensed. He said they should be brought under the same FCC scrutiny as that to which the individual stations are now subjected. He added that he believed this would remove many of the complaints within the industry and before the Commission.

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RULES COMMITTEE VOTES FOR RADIO GALLERY

The Rules Committee approved Thursday a resolution to set aside space in the House galleries for use of radio news reporters, who would be supervised by a Standing Committee of such reporters, subject to control of the Speaker. They would be given facilities separate from those of the regular press galleries.

The resolution must be acted on by the House. A similar resolution is pending in the Senate.

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NEW RULES ON S-W, TELEVISION ADOPTED BY FCC

The Federal Communications Commission on Wednesday issued the new regulations governing relay, international, television, facsimile, high frequency, non-commercial educational and developmental broadcast stations. The new rules, which are effective immediately, make several minor changes in the various classes of stations. The rules governing international broadcast stations are not included as the final policy in regard to these stations has not been determined by the Commission.

Of principal general interest are the modifications in the rules governing facsimile broadcast and high frequency stations. Under the Havana allocation three low frequencies, previously used for facsimile broadcasting, are dropped. This deficiency is remedied through the addition of several frequencies from 25,000 to 116,000 kilocycles. The frequencies now available appear adequate to take care of the present demand and full technical development of this service.

While the high frequency stations are continued on an experimental basis, with the present restrictions as to commercial operation, several additional frequencies are made available both for amplitude and frequency modulation. Frequency modulation is recognized on an equal basis with amplitude modulation and occupies approximately the same total frequency band.

Under the new regulations licensees of relay stations are required to specify the regular broadcast station with which the relay station operates. All relay stations under the new rule must be definitely associated with a specific standard broadcast station or network system. The relay broadcast stations operating on frequencies from 30,000 to 41,000 kilocycles have been removed from the experimental classification and new frequencies have been provided from 130,000 to 138,000 to be operated either with frequency or with amplitude modulation. This is the first time that frequency modulation has been specifically recognized for relay stations for which service it appears to offer special results both as to lightness of transmitting equipment and reduction of reception noise.

The name of the "experimental" broadcast stations has been changed to "developmental" broadcast stations. The purpose of the change is to avoid confusion between this particular class of station and many other stations operating on the experimental basis which are often referred to as "Experimental" stations.

No changes of significance have been made in the rules governing television stations. However, the regulations pertaining to the operation of non-commercial educational broadcast stations have been specifically defined under the new rules.

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ATTORNEYS ARGUE WLW CASE IN COURT

Government attorneys told the U. S. Court of Appeals in Washington Wednesday that the Federal Communications Commission has authority to cancel arbitrarily any radio station's experimental operating permit.

Directly involved was an appeal of the Crosley-owned station WLW at Cincinnati, O., from a Commission order last February 8 which cancelled an experimental operating permit and reduced the station's daytime broadcasting power from 500 to 50 kilowatts.

General Counsel William J. Dempsey of the Communications Commission argued that issuance or cancellation of experimental permits lay exclusively within the jurisdiction of the Commission and therefore no appeal was possible.

Duke M. Patrick, WLW attorney, argued that the order was "improper and illegal" and therefore appealable. The court reserved judgment.

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BBC DEVELOPS NEW SENSITIVE MICROPHONE

The desirability of using in outside broadcasts and in studios to which audiences are admitted microphones at once highly sensitive and inconspicuous has resulted in the designing by the British Broadcasting Corporation's Research Department of a new type of instrument that is now being put to increasing use in British programs. Known as the Type "B" BBC-Marconi ribbon microphone, it represents the result of two years' work by the research engineers, and has proved so successful that many broadcasting organizations overseas - in South Africa, South America, India, and in the Colonies, for example - have adopted it for local use.

In effect, the microphine is a refinement of the British type of ribbon microphone evolved by the Research Department five years ago and which is now standard in BBC studios.

Though representing a decided advance in the technique of microphone design - chiefly because of its bi-directional properties and the simpler balance technique that it made possible - the original ribbon-type instrument - known as Type "A" - was not altogether ideal for broadcasts from outside sources, owing to its size.

Of a conveniently round shape, the instrument ultimately designed to offset that disadvantage is less than half the size of the Type "A", and has the same sensitivity and identical, if not better, all-round performance.

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OUTLAW STATION STOPPED IN MINNESOTA

In the first prosecution of its kind in the Federal Courts in Minnesota, Thomas Carpender, St. Paul, Minnesota, pleaded guilty to an indictment charging the operation of an unlicensed radio station in violation of Sections 301 and 318 of the Communications Act of 1934, as amended. The court deferred imposition of a sentence and placed the defendant on probation for a period of two years.

Inspectors of the Federal Communications Commission have evidence indicating that there are other unlicensed radio stations operating in the St. Paul area and further prosecutions are expected to follow.

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U. S. SURVEY SHOWS EXTENT OF RADIO BUSINESS

The Bureau of Foreign and Domestic Commerce this week presented a statistical picture of the radio industry in the United States and abroad in the fifth annual statistical number of the "Electrical and Radio World Trade News", edited under the direction of John H. Payne, Chief of theElectrical Division.

Tables and topics covered in the radio section of the bulletin are:

Basic Statistics of Radio in the United States; Radio Sales in the United States 1929-1938; Radio Business at a Glance - 1938; Homes with Radios and Percent Saturation by States, Jan. 1, 1939; Radio Ownership by Geographic Divisions; Joint Committee on Radio Research - Rural Survey Findings as of Jan. 1, 1938; Radio Advertising in Leading American Markets - 1937; National Network Broadcast Advertising by Kinds of Sponsoring Business - 1938; Foreign Radio Statistics - 1938 (Estimated); Revenue, Expense and Other Income Items of Stations by Class and Time Designation, 1937.

Also, Proportion of Total Net Sales and Income Going to Different Classes of Stations, 1937; Average Net Sales of Stations - 1937; Investment, Depreciation and Replacement Value of Broadcasting Properties by Power Classes - 1937; Average Net Sales by Size of Community - 1937; Geographical Distribution of Broadcasting Station Net Sales; Percentage of Operating Expense Represented by Various Items on Different Classes of Stations - 1937; Analysis of Network Revenues - 1937; Ratio of Net Income to Net Sales for Various Classes of Stations - 1937; Percentage of Time Sales by Type of Origin for Various Classes of Stations in Communities of Different Sizes - 1937; Proportion of Time Sales by Type of Origin on Various Classes of Stations; Radio Broadcasting Receipts; Division of Broadcasting Receipts Among Stations and Networks; Functional Employment and Payroll Data of Stations; Percentage of Weekly Payrolls by Functional Divisions; Division of Commercial Network Time by Program Types - Evening Programs.

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RCA TELEVISION DEBUT HAILED BY SARNOFF

In a salute to television as the birth of a new industry for "the world of tomorrow", the dedication of the RCA building at the New York World's Fair was telecast Thursday across the metropllitan area, the New York Times reported. David Sarnoff, President of the RCA, spoke before a microphone in the garden behind the building as a hundred or more guests seated at the latest television receivers at Radio City saw him clearly as he broadcast.

Introduced by Lenox R. Lohr, President of the National Broadcasting Company, who was also seen on the 8 by 9 inch screens, Mr. Sarnoff said, "Now we add radio sight to sound.

"It is with a feeling of humbleness that I come to this moment of announcing the birth in this country of a new art so important in its implications that it is bound to affect all society", he continued. "It is an art which shines like a torch in a troubled world. It is a creative force which we must learn to utilize for the benefit of all mankind. This miracle of engineering skill which one day will bring the world to the home, also brings a new American industry to serve man's material welfare. Television will become an important factor in American economic life."

After a brief introduction by Graham McNamee, veteran announcer, who sat at a camera in Radio City, the scene was switched to Flushing, where Announcer George Hicks presided at the microphone alongside the radio "eye".

As the camera moved down the Avenue of Patriots, spectators in New York eight miles away saw the perisphere and trylon and other landmarks of the Fair. They saw hundreds of workmen lined up along the curb at lunch hour watching the radio camera men at work. The laborers in white overalls added contrast and stood out distinctly in the crowd. A bugle blew, and the Stars and Stripes were seen to climb the mast opening the dedicatory ceremonies.

Every detail was distinct, even the fleecy texture of the clouds. Then the camera was taken to the garden to telecast Mr. Lohr and Mr. Sarnoff. At the conclusion of their brief talks various guests were introduced to the unseen audience.

Among those who spoke in celebration of the "new milestone of progress" were Maj. Gen. James G. Harbord, Chairman of the Board of the RCA; E. J. Nally, First President of the RCA; Maj. Gladstone Murray, Director of Radio in Canada; Edwin S. Friendly, Business Manager of The Sun; Neville Miller, President of the National Association of Broadcasters, and Dr. Vladimir K. Zworykin, inventor of the iconoscope or radio "eye" around which the television system is built. Dr Zworykin, in his few sentences hinted that new wonders are still being developed in the laboratory.

The announcer then "returned" the audience to New York, where a boxing match between Jack Pembridge, Golden Gloves champion in the 118 pound class, and Pat Dunne, Police Athletic League star, was televised from a roped arena in the studio. Max Baer, former heavyweight champion, refereed, and Bill Stern served as a commentator for the three-round battle, the judges favoring Pembridge.

Lined up in the corridors on the sixty-second floor of the RCA Building were the new television receivers, which dealers were invited to inspect for the first time. The sets will be on the market May 1, when NBC begins a telecast schedule.

Regular studio presentations will adhere to a previously announced minimum of two hours a week over the NBC station W2XBS. In addition, NBC plans to be on the air with one or more outdoor news events a week designed specifically for home viewing.

The first NBC telecast in the service, marking the beginning of American television broadcasting, will be made Sunday, April 30. On that day, beginning at 12:30 P.M., EDST, NBC will present a three and one-half hour program, which will include the opening parade at the World's Fair grounds and addressed by President Roosevelt and others at the Federal Government Building, formally opening the Fair. The remainder of the program will consist of films to be transmitted from Radio City.

Regular evening programs, built according to a policy developed by the NBC television staff over nearly three years of experimental telecasting, will fall on Wednesday and Friday of each week, beginning May 3. The announced hour is from 8 to 9 P.M., EDST. Outdoor pick-ups of scheduled news events will be made on Wednesday, Thursday or Friday afternoon, according to Thomas H. Hutchinson, Manager of NBC's Television Program Division. Mr. Hutchinson added that it might be found possible to telecast more than one of these programs a week.

The prices of the television sets range from $199.50 for a 4 by 5-inch telepicture attachment for existing broadcast receivers to $1,000 for the largest console equipped with thirty-six tubes and presenting a picture a trifle larger than 7 x 10 inches.

Telecasting was done from the aerialatop the Empire State Building at which point the relayed ultra-short waves from the Fair were intercepted and sprayed across a fifty-mile radius by the main transmitter in the skyscraper.

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NETS' SALES BOOM DESPITE APPROACH OF SUMMER

The major networks report increasingly new business for the late Spring, despite the approach of Summer, when commercial programs customarily drop off, and are far ahead of their marks for last year.

Roy C. Witmer, NBC Vice-President in Charge of Sales, announced that business signed by the broadcasting company since January 1 totals $11,519,041. This includes $2,952,170 in new business booked on NBC by sponsors formerly on rival networks and represents an increase of $5,067,361 or 78.5 percent over a comparable period in 1938, the year in which NBC set the all-time high in the history of broadcast advertising for network billings.

CBS has signed new and renewal contracts for Summer and the balance of 1939-40, totaling $6,313,829 gross. Four programs will start on CBS next month and another will be renewed, representing additional business totaling $35,675 in weekly gross. A year ago new and renewal business effective that month added up to only $18,611. In other words, CBS reports 91.7% more new and renewal business for May, 1939, than for May, 1938.

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SHORT-WAVE "TEMPLE OF TRUTH" IS PLANNED

A short-wave station atop one of the picturesque Shenandoah mountains in Virginia, which would flash messages of peace to war-conscious Europe, will be erected shortly if the Federal Communications Commission consents.

Mrs. Louis H. McGuire, wealthy Washington woman, has purchased a million dollar estate on Skyline Drive and states she will build a huge "Temple of Truth" with an adjacent powerful short-wave station on the 2,350-foot Granite Mountain.

The Commission this week denied an application of the Pillar of Fire, religious sect, of Zarephath, N. J., for a construction permit to erect an international short-wave station for the purpose of extending its influence over European countries.

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Recent developments in the field of radio devices may contribute toward a solution of the problem of marine collision prevention, according to the U. S. Lighthouse Service Bulletin. They are the terrain clearance indicator or absolute radio altimeter recently developed for aircraft and the "Klystron" ultra-high frequency generator developed at Stanford University.

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TRADE NOTES

Columbia Broadcasting System reported net profit for the 13 weeks ended April 2 was $1,151,526, equal to 67 cents a share on combined class "A" and "B" stocks, compared with $1,494,980, or 87 cents a share on "A" and "B" stocks in the same 1938 period.

William S. Paley, President, told stockholders at the annual meeting that sales figures for the second quarter will be above the like 1938 period and that six months' profit will be at least as large as the comparable period last year.

The Times-Star (Cincinnati, Ohio) says a new low-priced automobile to be manufactured by the Crosley Corp. will be a "one-seater, three-passenger vehicle with a wheelbase of about 6 feet, powered with a two-cylinder, four-cycle, air-cooled engine" that will provide 50 to 60 miles per gallon of gasoline. The car likely will be manufactured at Crosley's Richmond, Ind., plant. Crosley officials said the car would be unveiled at the Indianapolis Speedway, April 28th.

General James G. Harbord of the Radio Corporation of America on Feb. 9 made gifts of 500 shares of RCA common stock, 100 shares of RCA $5 cumulative preferred, Class B, and 500 shares of RCA 3½ percent convertible first preferred stock, according to a report of "insiders" transactions made public this week by the Securities and Exchange Commission. The holdings of these securities by General Harbord, who was described as a Director of RCA, were reduced by the reported gifts to 653 shares of common, none of the $5 preferred, and 847 shares of convertible first preferred, according to the report.

Senator Burton K. Wheeler, (D.), of Montana, is one of four persons who will discuss "Radio and the Public Interest" on Lyman Bryson's People's Platform over Columbia network Sunday, April 23rd, from 7 to 7:30 P.M., EST.

A survey of pupils in the four upper grades of Eggertsville (N.Y.) elementary school showed the average pupil listens to radio programs three hours a day, seven days a week. If given a choice, however, he would rather go to the movies, play, go to school, eat, do homework, go downtown, or - talk to his parents - than listen to the radio.

"Of course", the survey report added, "these preferences are to a large extent due to the fact that he can listen to the radio when not doing these other things."

Beginning Friday, the Hamburg and Cologne radio stations of Germany will broadcast National Socialist interpretations of the day's news in English twice a day instead of once as heretofore. The broadcasts of fifteen minutes will start at 8:15 and 10:15 P.M. The short-wave station DJA also will broadcast daily in English at the same hours.

Leonard H. Hole, formerly Director of CBS Program Service Department, this week began his new duties as Manager of Columbia's television operations. Francis C. Barton, Jr., who was Mr. Hole's assistant, will take over program service supervision.

The Washington Post last week carried an interview with Gustavus P. Lohr, father of Lenox R. Lohr, President of the National Broadcasting Company, as one of a series of stories on men and women who keep working after 70. Mr. Lohr, who was celebrating his eighty-second birthday, at a desk in the offices of Johnson & Wimsatt, lumber dealers, where he has been for 52 years, said he kept working to "keep out of mischief".

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U. S. PROGRAM WINS WOMEN'S RADIO AWARD

An educational program sponsored by the U. S. Office of Education over the CBS network was selected as the most original and informative radio program of the year Wednesday by the Women's National Radio Committee in New York. It was the first time a Government program had been selected by the Committee, which comprises more than a score of national women's organizations.

The program so honored is "Americans All - Immigrants All" and is carried on CBS as a sustaining feature Sundays from 2 to 2:30 P.M.

Formation of an auxiliary organization to supplement the work of the Women's National Radio Committee was announced by Mme. Yolanda Mero-Irion, founder and president, who presided at the luncheon at the Hotel St. Regis, New York when the results of the outstanding radio offerings of the year were announced. She said this supplementary organization, known as Radio Listeners, was formed to combat the assumption that women's organizations are a "high-brow, biased group" having a different viewpoint on radio programs than the general public. She announced that the new organization invited men to join, that no dues were required and that any interested listeners might join by communicating with the Committee headquarters in New York.

Speakers heard on the broadcast program were Neville Miller, President of the National Association of Broadcasters; David Sarnoff; Frank E. Mason, H. V. Kaltenborn, news commentator; Alfred J. McCosker, Chairman of the Board of the Mutual Broadcasting System, and Raymond Leslie Buell, President of the Foreign Policy Association. The theme of the luncheon was "The Use of Radio In Promoting Goodwill".

Two new classifications were included in the citations this year, for the program which best serves democratic ideals and for the best quiz program. America's Town Meeting of the Air was cited as the leading program in the former classification, and NBC's "Information Please" in the latter.

Serial Programs were not included in the ballots, but NBC's program, "One Man's Family", received so many votes that the Committee accorded it "special recognition". Another program specially honored was the "Salute of Nations" series in which different countries saluted the New York World's Fair of 1939. The Committee extended congratulations to Dr. John Young, Director of Radio for the Fair, and to all the networks that carried the weekly programs.

Following is a tabulation of the citations as announced:

Programs Best Serving Democratic Ideals: America's Town Meeting of the Air (NBC); Americans All - Immigrants All (CBS).
Variety Programs: Good News of 1939 (NBC); Chase and Sanborn Hour (NBC)
Light Music: Firestone Symphony Orchestra (NBC); Cities Service Concert (NBC); American Album of Familiar Music (NBC).
Quiz Program: Information Please (NBC)
Adult Education Programs: The World is Yours (NBC); What Price America (CBS); Americans at Work (CBS).
Serious Music (Sponsored): Ford Sunday Evening Hour (CBS); Standard Oil broadcasts of West Coast symphonies (NBC).
Serious Music (Sustaining): NBC Symphony Orchestra; New York Philharmonic (CBS); Metropolitan Opera broadcasts (NBC); Sinfonietta (MBS).
Dramatic Programs: Campbell Playhouse (CBS); Woodbury Playhouse (NBC); NBC Great Plays (NBC); Lux Radio Theatre (CBS);
Children's Entertainment Programs: Musical Plays by Irene Wicker (NBC); Let's Pretend (CBS).
Children's Educational Programs: NBC Music Appreciation Hour(NBC); American School of the Air (CBS)
News Commentators: H. V. Kaltenborn (CBS); Paul Sullivan, midwest networks.
Advertising Best Presented: Jell-O (NBC); Tender Leaf Tea (NBC).

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BILL BANNING RADIO LIQUOR ADS APPROVED

The Senate Interstate Commerce Committee recommended to the Senate on Thursday that radio advertising of alcoholic beverages be prohibited. The Committee approved without amendment a proposal by Senator Johnson of Colorado which would make such advertisement a crime and subject violators to revocation of their alcohol licenses. At recent public hearings the measure was supported by the Fed. Alcohol Administration and opposed by liquor and radio interests.

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HEINL RADIO BUSINESS LETTER

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April 25, 1939.

14,000 TELEVISION SETS OPERATING IN LONDON

Among the first authentic reports on the number of television receivers in use in London is one published in the April issue of "Radio and Electrical Marketing", copies of which have just reached this country.

The periodical reports that more than 14,000 sets have been sold during the three years that the British Broadcasting Corporation has been transmitting television programs to the public. The population of London, according to the World Almanac for 1938, is 8,201,818.

The article surveying the results of the television experiments to date follows:

"'The effect of the R M.A. cooperative television drive has been excellent', said Mr. D. K. Wolfe Murray, B.B.C. Television Publis Relations Officer, at the discussion which would up the series of R.M.A. lectures at the Essex Hall, London, W.C.2, on March 23.

"'The results have produced an increased demand for television; an immense amount of interest has been stirred up, and television generally has been put on the map far more successfully than it has ever been before.

"'We are conservative in our estimate when we say there are at the moment 14,000 sets installed in the service area. That makes a potential audience of 28,000 to 30,000 individuals - which means that we have a pretty large public.'

"Seventy-five per cent of the television questionnaires had been returned. Experts are satisfied with a 33-1/3 per cent return from such questionnaires.

"'I think', said Mr. Wolfe Murray, 'it speaks volumes for the interest in television to have a response of 75 per cent.'

"'To get down to further effects of the drive', said Mr. Wolfe Murray, 'it seems to me that the results have depended almost entirely on the initial spade work done by the local dealers.

"' The men who are pioneering television are the men who are going to reap the trade. Television is a personal business, and there is advertisement in the words of a satisfied client. He is the one who is going to help television purchases, and he is going to obtain your customers for you.'

"In the discussion that followed, many points on all aspects of television, from programs to technicalities, were raised by the dealers present and answered by Messrs. Wolfe Murray, Ryan and Bevan (of the B.B.C.), and H. J. Barton-Chapple."

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RADIO PRESS GALLERY SET UP IN THE HOUSE

Following the adoption of a resolution reported by the House Rules Committee for the establishment of a radio press gallery in the House, limited quarters were set aside in the public gallery adjacent to the press gallery this week.

The quarters consist of a bench and writing desk. No radio equipment is allowed in the gallery. Limited working quarters are to be furnished later, it was said.

The press gallery itself and the lounge rooms are still limited to newspaper correspondents.

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BRITAIN TO TAKE OVER BBC, PAPER REPORTS

The British government will take over the British Broadcasting Corporation June 7, the Daily Mail reported last week.

This would mean the BBC would become a government news service and to some extent a propaganda machine under government control. It was understood broadcast news bulletins would be supervised and recruiting appeals would be made for all the military services.

A clause in the BBC charter authorized government seizure "if and whenever in the opinion of the Postmaster General an emergency shall have arisen in which it is expedient for the public service that His Majesty's government shall have control over transmission of messages."

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By the end of 1937, the registered radio receiving sets in Belgium totalled more than a million for the first time. As of December, 1937, there were 1,018,108 sets registered or 123 radios for every 1,000 inhabitants. The increase during 1937 was outstanding, amounting to 129,940 or approximately 15 per cent on the total at the end of 1936.

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ASCAP WINS SUPREME COURT RULINGS; BLACK DISSENTS

The American Society of Authors, Composers and Publishers won preliminary litigation skirmishes in the U. S. Supreme Court last week when the majority of the Court upheld their contention in two contests to upset State laws aimed at ASCAP.

Justice Reed delivered the opinions of the Court in ASCAP suits against State officials of Florida and Washington. Justice Black delivered a scathing dissent in the latter case.

ASCAP had sued the State officials in both cases in an effort to enjoin them from enforcement of the laws enacted in 1937 relating to copyright music operations. The State officials had moved to dismiss the petitions on the ground that ASCAP failed to show the $3,000 jurisdictional amount necessary to give Federal Court jurisdiction.

In the Florida case, the lower court had determined that it had jurisdiction and had granted a preliminary injunction, whereas the lower court in Washington had dismissed the suit on the ground that the jurisdiction amount was not shown.

The Supreme Court affirmed the Florida action and returned the case to the lower court for taking evidence. It reversed the Washington court.

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RADIO PAGES HAVE GOOD FOLLOWING, FORTUNE FINDS

Despite the trend for curtailment or elimination of radio pages in newspapers, the public still finds them interesting, Fortune magazine has determined by one of its nation-wide surveys.

In its April issue, Fortune sets forth the results of a questionnaire which asked: "Do you read the columns in the newspapers about the radio stars and programs?"

Thirty-one and seven-tenths percent of those replying answered "yes", 33.5 percent answered "occasionally", while 34.8 percent said "no".

"The answers given to the questions above show that the radio pages have probably a greater following, and a greater influence, than they may be commonly credited with", Fortune comments. "Almost a third of the nation reads them faithfully, and another third sporadically. This is probably nearly as good a batting average as the time-honored institutions of the women's and sport pages, whose appeals are mostly confined to one sex."

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A.P. MEMBERS URGE SALE OF NEWS TO RADIO

Members of the Associated Press, meeting in New York City this week, adopted a resolution asking the Board of Directors to consider a change in the Press Association regulations to permit the sale of A.P. news to commercial sponsors for radio broadcasting.

Such news already is sold by competing press associations, but the A.P. so far has resisted all proposals of its members to let down the bars.

The resolution reads:

"Whereas, during the past few months a substantial number of State meetings, following a full discussion by members of radio broadcasting, have requested the Board of Directors again to consider the question of the use of Associated Press news in sponsored programs, and

"Whereas, an increasing number of member papers have been compelled to purchase the news of competing agencies for such sponsored programs, and that an impairment of State circuits and loss of membership and territorial representation in the news reports is threatened, therefore

"Be It Resolved, That the Board of Directors be urged to give consideration to the problems presented, and that interested members be afforded a full opportunity to appear before the Board and present such recommendations and suggestions as they may see fit to offer."

The resolution came after authorization of a change in The Associated Press's certificate of incorporation saying that one of its objects was to be the supplying of news not only to members newspapers but to "others entitled to the use thereof".

Television was shown for the first time to the Associated Press Association when the National Broadcasting Company presented a special telecast over Station W2XBS to members gathered at the Waldorf Astoria.

The program, televised in the film and live talent studios at Radio City and picked up in the new offices of the Associated Press at Rockefeller Center, was received on specially installed antennas at the Waldorf Astoria. A battery of new RCA receivers reproduced images and sound for more than 300 editors and publishers in the foyer of the Grand Ballroom.

The NBC mobile television unit, the only one of its kind in the United States, enabled cameramen to show the operations of the Associated Press news room. A story was followed as it came over A.P. wires from Europe, over the various desks to teletype machines that dispatched it to member newspapers throughout

the country. The television tour also included the sending of a wire photo and ended with a view of a teletype sending out the story of the television demonstration. Onlookers at the Waldorf Astoria were given a complementary word picture by announcer George Hicks.

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FCC COUNSEL CHALLENGES COURT'S AUTHORITY

The United States Court of Appeals of the District of Columbia is usurping the functions of the administrative branch of the Government, the Federal Communications Commission charged Saturday in a petition for a rehearing on its decision in the case of the Pottsville Broadcasting Company.

In remanding the case to the Commission for reconsideration, the Court, it was said, in effect prohibited the Commission from considering any further evidence than that already in the record. In so doing William J. Dempsey, General Counsel, contended in his plea for a rehearing, the Court was telling the Commission how to administer its affairs, which, he held was outside of the jurisdiction of the Court.

Furthermore, it was indicated that in the event the Court insists on its original decision, the Commission will take the matter to the United States Supreme Court for a decision. As a matter of fact, it requests the Court, in the event it denies the Commission's petition, to enter judgment and stay the execution pending application to the highest court for a writ of certiorari.

Since the original decision in the Pottsville case another station in the same place filed an application for a construction permit, and the Commission is ready to make decision but held it up pending the Court's decision in the current case. The Court, however, according to Commission counsel, held that the applications of the two stations could not be considered on a comparative basis but that the future action of the Commission in the Pottsville case must be confined to the record of the Commission's original proceedings.

The Commission said that it did not believe that the Court's decision of April 3 last gave due weight to primary responsibility of the Commission under the Communications Act of 1934 to execute the statute in the interests of the public and will necessarily lead to results which subordinate the interests of the public to private interests of particular applications before the Commission. The Commission added that it felt constrained to file the petition because it believed that the Court has invaded a field which the Supreme Court of the United States has held is not the province of the District Court of Appeals.

It is the contention of Commission counsel that when the local court decides a case on appeal from the Communications Commission the proceeding is terminated, and although the Commission is required to respect and follow the Court's judgment in the exercise of its administrative functions, the Commission still has the same duties to perform under the statute as it had prior to the time an appeal is taken. Obviously, it was pointed out, the Court cannot be invested with the judicial power of the United States and also be authorized to exercise the executive power of the United States since the exercise of both executive and judicial power of the United States cannot under the Constitution be lodged in the hands of a single person or agency.

The Court is told that it is not a Commission or a superior executive agency, and the Commission is not a Court. In fact, it was added, the power of the local court over the Commissioners is, if anything, less than its power over other parties before it because it cannot compel the Commissioners to act in their official capacity as members of the executive department or Government in any way which would be tantamount to the Court exercising an executive power.

It is logical inference from the decision of the Court early this month, the Commission said, that the Commission may at all times be controlled by the Court in the performance of the Commission's functions under the Communications Act of 1934 to the same extent as an Appellate Federal Court may control the performance of a lower court of its judicial functions. The procedure to be followed by the Commission in arriving at its determination in a case was not and is not subject to court control, either before or after the appeal, it was asserted, adding that it is still an administrative and not a judicial function.

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COLUMBIA ADDS COURSE IN NEWS BROADCASTING

Reflecting expansion of the field of journalism to include public opinion research and radio news broadcasting, the Graduate School of Journalism of Columbia University has made two new faculty appointments for the academic year 1939-40 with the approval of the University Trustees, it was announced last week by Dean Carl W. Ackerman.

Elmo Roper, head of the firm which does the research work for the Fortune public opinion survey, was named Assistant Professor in Charge of Research Projects. Paul W. White, Director of the Department of Public Affairs of Columbia Broadcasting System, who becomes Assistant Professor, will give a course in newsbroadcasting.

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RCA TELLS WHAT TELEVISION MEANS TO NATION

On the eve of its inauguration of television as a public service, the Radio Corporation of America explained in a full-page advertisement in Editor & Publisher "What Television Will Mean to the Nation". The statement follows:

"April 30, 1939, is the date which formally markes the beginning of a new industry - television. It is the hope of RCA that this new business as it develops, will mean new opportunities for many . . . that it may match in its advance the swift growth of sound broadcasting.

"RCA television at this time will be available only in the New York metropolitan area. The restriction is largely due to limitations inherent in the art itself. Television waves have some of the properties of light. As a rule, such waves will not follow the earth's curvature. Thus they are rarely effective beyond the horizon of their transmitter.

"Because of the character of the waves, television programs, even when sent from the NBC mast 1240 feet above the street on the Empire State Building in New York, will ordinarily cover an area scarcely more than forty miles in all directions from that building.

"At present, television networks are impracticable. Television pictures can be sent from station to station only through special cables or elaborate relay systems still to be developed on a service basis.

"The accomplishments of RCA in television have been notable. Television has been brought out of the laboratory, and made a practical service. Yet, although television is exciting, thrilling - even spectacular, the television broadcasting now being undertaken by RCA and NBC actually represents a pioneering effort.

"How soon television will be available to the country generally is uncertain. Predictions about future television accomplishments are at best only guesses. The men who have so patiently brought television to its present stage of development agree that while it is the most alluring of the electronic arts, it is also the most elusive.

"Television broadcasts from NBC television studios will be sent out initially for an hour at a time, twice a week. In addition, there will be numerous pick-ups of news events, sports, interviews with visiting celebrities, and similar material.

"Material for television programs is almost limitless. They can be sent from the studio, or picked up elsewhere. Almost any scene can be televised, if it is accessible to mobile equipment. NBC operates a mobile unit comprising two ten-ton trucks to pick up and transmit television pictures and sound.

"Present licenses for television do not permit commercial sponsors. Naturally there can be no sponsored television programs as long as this rule holds. When sponsors are allowed, advertisers will want to have a large audience developed before spending money for shows. Meanwhile NBC will produce unsponsored programs. This is an effort similar to NBC's program operation which provides more than half the broadcasts on the Red and Blue networks.

"To provide for the reception of television programs, RCA Laboratories have developed several receiving sets which are now on the market. These instruments, built by RCA Victor, include three models for reception of television pictures and sound, as well as regular radio programs. There is also an attachment for present radio sets. This latter provides for seeing television pictures, while the sound is heard through the radio itself. The pictures seen on the Kinescopes of these various models will differ not in quality but only in size.

"In initiating the first regular American television programs at this time RCA believes that it is contributing to the growth of a lusty infant whose future is likely to be brilliant, but whose coming of age will take place at a time no man can predice exactly."

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NEC TO TRANSCRIBE VOICES OF F.D.R. AND OTHERS

The National Emergency Council, which has assumed the role of a clearing house for governmental radio publicity, is engaged in making transcriptions of talks by President Roosevelt, and Cabinet members, which will be distributed among radio stations over the country.

Under the title of "United States Government Reports", the series will open May 9th with a 15-minute recording of the President's views on "the state of the Nation". The series will run each Tuesday through July 17th on approximately 150 stations, averaging about three to a State.

Lowell Mellett, Executive Director of the NEC and former Executive Editor of the Scripps-Howard Newspaper Alliance, will participate in the broadcasts as interviewer. The recordings of members of the Cabinet will follow in the order of their seniority.

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TRADE NOTES

A new type of high fidelity "twin power" loudspeaker, originally designed to meet the exacting requirements of the New York and San Francisco Fairs for a sound reproducer of unsurpassed efficiency, has been announced for general use by the RCA Manufacturing Company,

Fifty-two of the "Twin Power" loudspeakers are in service at the Golden Gate Exposition, where they are used for providing background music, sound effects and announcements on the main grounds. Forty-five of them have been installed on the World's Fair grounds in New York for the same purposes. Twelve are in the famed Perisphere, where they will provide the music and sound effects for the "World of Tomorrow" theme show.

Earl Sowers, until recently Managing Director of Radio Station WRNL, in Richmond, Va., and former Managing Editor of the Richmond News-Leader, died in Tampa, Florida, Sunday of a heart attack.

A study of the complex and growing body of law governing the entire field of radio broadcasting, the two-volume "Law of Radio Broadcasting" by A. Walter Socolow of the New York Bar and the Federal Communications Commission Bar, has just been published by Baker, Voorhis & Company, New York. The book surveys such controversial subjects as Federal administration of broadcasting stations, Federal regulation of broadcast advertising, the relation between advertisers and agencies, appropriation of ideas, rights of program content and the omnipresent copyright problems.

Station WJR, Detroit, for the quarter to March 31 reports a net profit of $131,729, equal to $1.01 each on 130,000 shares of common stock, compared with a net profit of $108,797, or 84 cents a share in 1937.

The American Television Corporation, maker of television receiving sets, has appointed Deutsch & Shea Advertising Agency, Inc., to handle its account. Trade-paper advertising is scheduled for home receivers to retail at $160 and up.

In a study of "unfinished business" in America, International Business Machine Corporation reports that one out of five families lacks a radio.

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FUTURE FOR YOUTH IN TELEVISION, SAYS SHOUSE

Young people considering a career might do well to think about television, which, from all indications, will soon be an actuality, according to James D. Shouse, Vice-President of the Crosley Corporation, Cincinnati. Because of the very nature of television, new vistas will be opened to talented young people. Cameramen, lighting experts, make-up artists, stage designers, script readers, writers, musicians, actors and vocalists will all have a definite place in this new field of entertainment.

"Although our application for a license to broadcast television has not yet been acted upon by the Federal Communications Commission, and though we are not yet actively engaged in the production of television programs, we are on the lookout for persons with an aptitude for visual broadcasting", Mr. Shouse said. "We will naturally have to feel our way; hence we are constantly searching for young people who can be called upon if and when their services are required."

Naturally, experience in radio, the theatre or the motion pictures will be a valuable asset to anyone interested in television production. Nevertheless, an entirely new type of technician will be required. A combination of radio, the theatre and motion pictures, television presents unlimited possibilities for imaginatively and creatively inclined young people. Since television is an infant industry without established precedents, those new in television have a rare opportunity of growing up with it.

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CBS NOT TO PURCHASE WORLD BROADCASTING SYSTEM

Failure to reach agreements with Electrical Research Products, Incorporated, on, among other things, sound recording licenses has resulted in termination by the Columbia Broadcasting System of negotiations on purchase of theWorld Broadcasting System, it was announced this week by William S. Paley, Columbia President.

The American Record Corporation will install its own studios and high quality recording and processing equipment not only for Columbia, Brunswick and Vocalion records but also for a complete transcription and general recording service.

Mr. Paley said that study is being given to the precise form the American Record Corporation transcription activities will take. It is expected that plans and policies will be announced within the next few months.

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CBS TO ASK ADVICE OF TELEVISION AUDIENCES BY PHONE

A project to solicit the criticism and advice of its television audience beginning with early broadcasts, now tentatively scheduled for June, was announced last week by the Columbia Broadcasting System.

The plan borrows a chapter from television program experience of the British Broadcasting Corporation. Gilbert Seldes, Director of CBS Television Programs, during an early program from CBS' new transmitter in the Chrysler tower, plans to take a seat beside a telephone in front of the cameras in the studios in Grand Central station, and invite those viewing the program to telephone him their criticisms and suggestions regarding the program they have just viewed. The audience itself will hear the telephone ring, see Mr Seldes answer it, and then see and hear him as he answers questions and replies to suggestions of members of the audience.

Gerald Cock, BBC's Director of Television, who originated the idea, found that it met with wide acclaim when he used it in Great Britain. He said that BBC had received a large number of constructive criticisms as a result of the policy, and has been able, as a result, to advance its program technique faster than would otherwise have been possible.

Gilbert Seldes, CBS Director of Television Programs, who sails for England this week to study BBC television technique, has been asked the following question hundreds of times -

"What will television programs consist of?"

It is difficult to predict anything about programs, Mr. Seldes says, becaise television covers part of the field of each of the arts with which it will be allied - motion pictures, radio, newsreels, stage, animated cartoons and many others. Being able to pluck its material directly from life, television programs will be as varied as life itself.

"Since we are going to do a job without precedent", Mr. Seldes says, "we will have endless opportunities for both improvement and error."

Television programs even in the beginning will be divided into several distinct classes. he claims. Drama will be only one of perhaps a dozen elements.

"Television will work hand-in-hand with other forms of art from which it is basically different", Mr. Seldes points out. "It differs chiefly from stage or radio in having a special immediacy for the audience. Television goes directly into the listener's home and, more than that, into his living room."

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2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1120

WHAT HAS HAPPENED TO FCC "GLASS BOWL"?, HOUSE ASKED

Despite the fact that Chairman Frank R. McNinch stated that he would conduct the affairs of the Federal Communications Commission as if they were in a gold fish bowl when he took offce, they are still conducted in strict secrecy to the detriment of the public, Representative Connery (D.), of Massachusetts, charged on the House floor on Wednesday.

"It is my understanding", he said, "that more secrecy surrounds their actions, except to the privileged few, than ever before; that more executive sessions have been held and less accomplished than ever before; that access to public records is virtually denied to everyone other than those who represent the radio monopolists.

"One might well say that hypocrisy again prevails when one considers the Chairman's public utterances and compares such utterances with what is actually happening."

Representative Connery said the question had been asked, "Why is it that the Chairman of the Commission seems so friendly to the monopolist networks?" He stated that he had no personal knowledge of any relationship of the sort but he recounted a newspaper report regarding the case of Station WPTF, of Durham, N. C.

Renewing his demand for a Congressional investigation of the FCC and the radio industry, Representative Connery said:

"Mr. Speaker, permit me to say that a congressional investigation of the Federal Communications Commission and the radio monopoly will show that the Communications Act of 1934 is openly, flagrantly, and continually violated without any action or restraint on the part of the Federal Communications Commission. The law specifically requires the Commission to find that the licensee or grantee shall serve public interest, convenience, and necessity. Naturally those network officials residing in New York City, with no knowledge or interest in what constitutes public interest, convenience, and necessity in thousands of our communities throughout the United States, cannot know, let alone serve, as the Congress intended public interest, convenience, and necessity.

"Mr. Speaker, many Members of the House seemingly overlook the interest which the American listening public has in the proper regulation of radio broadcasting. It is my understanding that official records reveal that Mr. John Q. Public has invested more than $2,000,000,000 in radio receiving sets while the total investment of radio broadcasters in 629 stations is less than $50,000,000.

"With this investment of $50,000,000 plus possession of these invaluable grants from the Government, for which they pay nothing to the Government, their reported net profits last year, after paying all taxes, were some $18,000,000.

"Surely, Mr. Speaker, with the radio monopoly about to unload upon an unsuspecting public television sets the value of which at this time, according to the newspapers, competent radio engineers question, is it not about time that the Congress, acting in the public interest, insisted upon a congressional investigation of the entire radio subject?"

Citing "abuses" of the Communications Act, Representative Connery said:

"A few years ago some of the advertising element prevailed upon the Commission to issue a new form of license or grant for the use of so-called booster stations. A booster station is a grant in another community to a grantee already owning a radio station. A booster station is nothing but a series of wires and an amplifier transmitting the radio broadcasts from the mother station. The booster station provides practically no employment for those in the community wherein it is located. It does, however, succeed in diverting the advertising of that community from the local newspapers to these alleged radio stations.

"The cost of operation of these booster stations is practically nil, and yet they serve the purpose of destroying the opportunities for expansion of newspapers owned by those who have invested their all in trying to properly represent and to reflect the views of their community.

"In addition, these booster stations eliminate possibilities of employment in the publication of the newspapers with whom they most unfairly compete locally."

Representative Michener (R.), of Michigan, interrupted to express the hope that the proposed investigation "will develop why Boake Carter was taken off the air".

"Of course", said Mr. Connery, "I say frankly that I do not believe in censorship, but I do believe that a broadcaster given the privilege and the sole privilege of operating in a particular district should not himself be permitted to have his own views and editorial policies expressed over his station either by himself or through somebody subservient to him. I believe that is what the gentleman is hitting at.

"It will interest the Members of the House to know that an important radio network recently so conducted its news and editorial policies, during a city election, that a very important Democratic newspaper, the Boston Post, editorially referred to the tactics used by these radio stations as the 'hatchet men of the air'.

"Yet no action has been taken by the Federal Communications Commission, despite sworn charges that the stations referred to had contravened the law.

"Incidentally, I want to say in answer to the question asked earlier by the gentleman from Michigan (Mr. Michener) in case I do not have an opportunity to reply to him later, what I was really hitting at was that the Federal Communications Commission, to all intents and purposes, evidently is controlled by the big monopolistic owners of these radio chains. That is your answer right there. These conditions would not exist if that were not so.

"I say with all sincerity, Mr Speaker, that the sooner we investigate this radio problem the less corruption we will be confronted with later, because corruption having existed in this agency, I understand, since the early days of the control of radio by the Department of Commerce, it has grown like Banquo's ghost.

"Records on file at the Federal Communications Commission will show that one of the dominant networks has, in its report to the Federal Communications Commission, openly charged off an average of $300,000 as an expenditure it made in acquiring the grants which they possess, or a total of about two and one-half millions of dollars.

"Yet the Government receives nothing in the form of license fees for these invaluable franchises or grants from which a few had been enriched to the tune of many millions of dollars."

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WE MUST HAVE MISSED THIS ONE!

A report of a party that the newspaper boys must have missed was related to the House in a somewhat vague way Wednesday during Representative Connery's diatribe on radio.

Mild-manner Representative Massingale (D.), of Oklahoma, recounted the "rumor" of "a recent entertainment that took place in some 'hot spot' in New York City, where members of the Federal Communications Commission were present."

"They got into a drunken brawl", said Mr. Massingale, "and in the brawl some woman was hurt - her arm twisted. I do not know whether it was the licensees who were giving the entertainment or whether it was members of the Federal Communications Commission, or who it was."

Representative Connery, in answer to a question, said he had heard the report but had not verified it.

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TELEVISION GROUP TO SEE WESTERN MANUFACTURERS

Continuing its efforts to obtain all the facts on television, the Special Television Committee of the Federal Communications Commission will confer with representatives of Mid-Western and Western radio manufacturers early next week and the following week.

Among the companies who will participate are: the Zenith Radio Corporation, of Chicago; the Crosley Corporation, Cincinnati; the Majestic Radio and Television Corporation, Chicago; the Don Lee Company, of Los Angeles; and the Wald Corporation.

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RADIO OCCUPIES PUBLISHERS AT N.Y. CONVENTION

Radio as a business competitor occupied the attention of the American Newspaper Publishers' Association in convention at New York City this week.

James G. Stahlman, President of the ANPA, called on the publishers to extend public services in order to outstrip their rivals. At the same time he urged a strengthening of the understanding between the press, the motion picture industry, and the radio.

Earlier the ANPA was told that newspapers publishing radio programs free are giving away annually about $4,500,000 worth of advertising to their chief competitors.

The statement was made at the session, devoted to the problems of the smaller dailies, by J. M. Bunting of the Bloomington (Ill.) Panatagraph. John L. Stewart of the Washington (Pa.) Reporter, who was chairman of the meeting, prepared the way for Mr. Bunting's attack. He said it "must be obvious to all of us that we cannot preserve press freedom unless we preserve our own economic independence", and later said:

"I think all of us have come to recognize in late years the intrinsic value of news as a commodity in distinction to that of its public service. The radio and the weekly news magazines have capitalized on it, not only at our expense, but have shown us means and methods of using news commercially to the 'nth' degree."

Mr. Bunting, who led the fight at last year's convention on free publication of radio programs, reported that publishers who had refused to publish programs without charge hnd effected economies without loss of circulation. He said he had written the thirty-three publishers reported in an ANPA questionnaire that they had abandoned free radio programs.

"Believe it or not, their experience made us look like pikers", said Mr. Bunting. "Not a single circulation loss was reported and circulation increases ran from 7 percent to 36 per cent since radio programs had been discontinued."

Paul Bellamy of the Cleveland Plain Dealer presented the report of the Committee on Cooperation of Press, Bar and Radio, of which he is Chairman. The report said that "in the opinion of the Committee there is not much chance, in the present state of mind of both press and bar, to bring about a greater degree of cooperation than is defined in the Baker report, as amended."

Atherton W. Hobler, President of Benton & Bowles, Inc., advertising, in answering the question, "What is the matter with newspaper advertising?" which he said had been put to him often in the last year, declared:

"While I have dared to mention the subject of radio, I do not want to leave it without clearing up another point. I was told that in a recent meeting of newspaper publishers the statement was made that the advertising agencies prefer to use radio because they make a much higher percentage of profit on their radio billing than they do on newspapers; that they also make a higher percentage of profit on magazine advertising than they do on newspaper advertising. Unbelievably high profit figures were quoted.

"I cannot understand such wishful thinking on the part of any publisher, for the statements as reported to me are without fact or foundation. If there is any incentive on the part of agencies to use one medium as contrasted to another because of the profit they make (and I do not believe there is) radio would not be used by many agencies.

"The facts of the matter are that radio has increased the cost of operating an advertising agency and tends greatly to reduce the net profit of the agency business. I know of no first ranking agency that has been able to eliminate any of its copy, art, research, contact or overhead cost because of radio.

"On the other hand, expensive departments handling radio have had to be added on top of these departments. Each year the majority of agencies belong to the four A's report in detail their operating costs and percentage of profit to their total billing. Since the advent of radio profits have been decreasing. There are, of course, other factors that have contributed to the decrease - high corporate income taxes, social security, old-age pensions, etc."

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SENATE AGREES TO ADMIT RADIO MEN TO GALLERY

After some discussion, which revealed that members of the wire press association actually have had no right to the Senate press gallery, the Senate this week adopted a resolution which permits the Rules Committee to admit radio news reporters on the same basis as newspaper men.

Senator Gillette (D.), of Iowa, disclosed that the press associations have been admitted to the gallery "by sufferance" as the former Senate rules did not specify wire news reporters.

"Who suffers", interposed Majority Leader Barkley, "the members of the Senate?"

The amended resolution, Senator Gillette explained, placed the same limitation on the gathering of news for radio agencies as are now on reporters for newspapers and extends to them the same privileges.

The House previously had established a separate gallery for radio news gatherers.

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FORECASTS ON TELEVISION TRADE VARY WIDELY

That industry estimates on the probable number of television sets that will be sold to the public during 1939 vary widely is brought out by Radio & Television Today in its current issue:

"No question posed in radio has caused more discussion or resulted in a wider variety of answers", the article states.

"Answers have ranged all the way from 10,000 receivers - up to 75,000 and 100,000 receivers. Middle-of-the-roaders strike a figure somewhere around 28,000 to 40,000. Those who have inspected English television, think that 10,000 receivers can be absorbed by the New York area to supply restaurants, bars, hotels and stores, alone - with many more going into homes and apartments. Others who see the installation problem, say the limit is not the number of willing purchasers nor even the production lines of the factories, but is set by the difficulty of training service men to make antenna installations which will give satisfaction."

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TRADE NOTES

Dr. Frank B. Jewett, Vice-President of the American Telephone & Telegraph Co., was elected President of the National Academy of Sciences, the "senate of American science", at its annual meeting in Washington this week.

The preview showing and christening of the new Crosley automobile at the Indianapolis Motor Speedway was described in a broadcast over the NBC-Blue Network on Friday. The preview was held two days prior to presentation of the car to the public at the New York World's Fair. Powel Crosley, Jr., head of the firm manufacturing the new vehicle, attended.

A full-page advertisement in the New York Times on Friday by the Du Mont Laboratories, Inc., New York, is one of the first to offer television receivers for sale. The advertisement is headed "Television gives its 'coming out party' Sunday" and urges the public to see the Du Mont television receivers.

R.C.A. Communications, Inc., was keeping in close touch with Major Vladimir Kokkinaki, noted Soviet pilot, in his Moscow-to-New York flight this week-end. RCA expected to keep in constant communication with the flier.

The NBC Blue Network took a surge upward during the first three months of 1929 as compared with the same period last year, a breakdown of figures for Red and Blue, issued last week, shows. The total of business signed on both networks since January 1 was $11,519,041, an increase of $5,067,361 or 78.5 percent over a comparable period in 1938. Of the total $3,537,602 was signed on the Blue, an increase of $2,251,895 or 175% over the first three months in 1938.

Eddie Sobol, longtime associate of Max Gordon, noted Broadway producer, and himself director of several New York hits, has been added to the television production staff of the National Broadcasting Company.

Belmont Radio Corporation reports for 1938: Net income, $298,212, equal to 99 cents each on 300,000 capital shares, against $280,232, or 93 cents a share, in 1937.

From short-wave radio equipment installed in a special studio built in one of the baggage cars on the Union Pacific exhibition train, programs will be relayed for rebroadcasting by 16 major long-wave stations in cities from coast to coast as the train travels along on its transcontinental tour from Los Angeles, reaching Boston May 5 and terminating in Kansas City on May 15.

This is believed to be the most extensive series of broadcasts ever attempted from a moving train. The equipment, installed by General Electric engineers, consists of a 50-watt transmitter, operating on a wave length of 2012 kilocycles, or about 150 meters. The station has the call letters WOEG, and its operation on this trip will be in charge of Robert Lingle, G-E engineer from Schenectady, N. Y.

American Bosch Corporation reports for the March quarter: Profit of $64,811, compared with net loss last year of $134,501; net sales totaled $1,105,163, compared with $957,470.

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PALEY LAUDS FCC CHAIN-MONOPOLY INVESTIGATION

William S. Paley, President of the Columbia Broadcasting System, took occasion to commend the FCC chain-monopoly investigation in a recent report to CBS stockholders, a reprint of which was distributed this week in a pamphlet titled "Twelve Months".

"An unusual opportunity developed during 1938 for Columbia to present at public hearings before the Federal Communications Commission a complete picture of its policies and operations as a broadcasting network", he said. "The Commission undertook an investigation of the whole radio industry which it is still conducting. This investigation concerned practically every important feature of the business. Columbia welcomed the opportunity to present the facts as to its corporate history, its financial operations, its contractual relations with affiliates, its program and other operating policies.

"This is the first comprehensive presentation of modern radio chain broadcasting service which has ever been put on public record. It is our belief that this record of testimony and exhibits will do much to inform, enlighten and interest people in this business. It is also our belief that Columbia's presentation showed that we operate with a high sense of public responsibility; that this method of operation represents the soundest way in which the current high standards of sustaining and sponsored programs can be maintained and improved, and that the diversified programs available to the American people as a result of our operations are impressively extensive."

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TELEVISION RAISES DEALER PROBLEM, SAYS EDITOR

The debut of television in metropolitan areas raises serious problems for the radio dealers in televisionless areas, according to O. H. Caldwell, former Federal Radio Commissioner and now editor of Radio and Television Today.

"'Experimental television service to the public' - as defined by RMA - begins in the New York area this month. Its coming brings two distinct sets of problems to the radio trade - one set for dealers in television areas; another lot of problems for the larger part of the trade beyond television transmissions.

"Most radio dealers inside the limited television areas see in television a stimulating new business opportunity for expanding sales of larger units, under the glamour of intense public interest. Yet even here, a note of caution is sounded in Radio Today's survey of the plans of metropolitan merchandisers.

"But to the three-quarters of our radio dealers who will be without television broadcasting for some time to come, television talk in the newspapers and popular magazines, is bringing an immediate hazard to radio-set sales. People will want to 'wait'. Then it will be the dealer's job to urge such buyers not to hold of getting a radio, but to enjoy the good things that are on the present broadcast channels. To show the customer that a good radio is still as good an investment in home entertainment as it ever was.

"It will require skill and convincing argument to point out the limitations of television transmission. In televisionless Omaha one dealer has even bought a television set for his salesroom to clinch this point. When customers start talking about 'waiting for television', he leads them to this dark and silent television set. 'There you see, we have a set - but try it for yourself', says the salesman. 'Well, if that's all it will do', concludes the customer after a minute's fiddling with dials, 'I guess you'd better show me a nice radio console.' That incident sounds the keynote: In areas without television, radio sales must still go on!

"Yet, even radio dealers and distributors in televisionless territories will want to inform themselves all about the new art. Eventually, these problems of television service will be their also. But how soon, nobody knows.

"Radio Today believes that television eventually will be a nationwide service, and that, as in the case of present broadcasting, the way will be found to make television economically sound for all involved - television broadcasters, manufacturers, distributors and dealers."

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PRESS PLEASED WITH NEW RCA RADIO RECEIVER

The National Press Club's current "Gold Fish Bowl", news bulletin sheet, carried the following:

"That new RCA-Victor 15-tube console radio in our lounge bears the explanatory brass plate: 'Presented to the National Press Club of Washington in appreciation of its contribution to the success of the first all-electronic television demonstration in the District of Columbia, January 27th to Feb. 2nd, 1939, by theRadio Corporation of America, March 27, 1939.'

"To insure foreign reception, RCA had its own staff of experts come down from Camden and put an elaborate spider-web antenna on the roof. At the same time it reconditioned the old radio, which has been transferred to compete with other sound in the ladies' dining room. All this welcome radiovizing was under the direction of a new National Press Club member, Robert L. Pritchard, local RCA public relationist."

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A. T. & T. OPENS EXHIBIT AT WORLD'S FAIR

Led by Walter S. Gifford, President of the American Telephone & Telegraph Company, officials of the organization Thursday conducted several hundred guests on a tour of the telephone exhibit in the World of Tomorrow at the World's Fair in New York.

Entering the large rotunda of the streamlined building adjacent to the Trylon-Perisphere Theme Center, the New York Times reported, the visitors were greeted by a large face outlined in gold on the wall and identified as Voder or synthetic speech-maker. While a young man on the platform asked various questions, a young lady at the keyboard of the artificial voice created the electrical currents that gave the answers as if from a human throat. This actor, popularly known as Pedro the Voder, will perform at intervals daily at the Fair.

The visitors then were invited to participate in the hearing test. In modernistic, booth-like compartments accommodating six or seven at a time, they got an opportunity to rate the efficiency of their ears by means of musical tones varying in pitch.

The next show in order as the visitor walks around the building is the long distance demonstration, which, according to the enthusiasm displayed for it at the informal inspection, is to be a popular exhibit at the Fair. A huge map of the United States is dotted with 3,500 tinted electric bulbs each representing a city or town. Through this system it is planned that daily 150 visitors will be invited to make free telephone calls to any part of the country.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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MAJORITY, MINORITY REPORTS FILED ON LIQUOR ADS

The Senate Committee on Interstate Commerce this week reported favorably a bill to prohibit radio advertising of alcoholic beverages, but with a minority report written by Senator Gurney (R.), of South Dakota.

After quoting Chairman Frank R. McNinch of the Federal Communications Commission in opposition to liquor advertising over the air, the majority report stated:

"The members of the distilling industry, as a general rule, have followed the advice of their own organization in refraining from radio advertising of their products.

"The importers of alcoholic beverages, the wholesalers, the wine producers, and the brewers have not all seen the wisdom of maintaining the proper public policy of refraining from invading the sanctity of the home.

"On the contrary, there has been a marked increase of radio advertising of alcoholic beverages in recent months. This fact has disturbed many people because the radio enters practically every home, affecting little children and young people who are receiving the education which will guide them in future years. There are many adults who may resent this invasion of their homes.

"Ample proof was furnished at the hearings that public opinion widely supports this legislation. Religious, educational, and family groups testified."

Senator Gurney pointed out that the radio industry derives but small income now from liquor advertising, though more from beer advertising, and that the networks now will not accept accounts from distillers. He charged that the proponents of the bill had failed to disclose any abuses of the present restrictions or any need for the absolute prohibition.

"Amending the Communications Act to deny a product the use of broadcast facilities sets a precedent which invites incursion into the field of censorship, already expressly forbidden by Congress", Senator Gurney added. "Those familiar with the development of radio in America recognize that its remarkable progress has been largely due to the initiative of typical American enterprise and the further fact that no Government bureau has been given the authority to prescribe arbitrary program standards for radio listeners. Broadcasters, alert to the desires and tastes of their listeners, compete vigorously to win and to hold listener

approval and acceptance. Congress has recognized that the listener is the only censor that radio must recognize and that no group of officials, however competent or omniscient, can prescribe the radio fare of the American listener.

"Unfortunately, there seems to be evidence that this clear mandate from Congress is not being rigidly followed by the regulatory authority. Members of the Communications Commission in ex parte statements, as well as in official actions, have seemed to misinterpret their functions and attempt to substitute the judgment of the Commission for that of the listener. Nowhere in the Communications Act of 1934 or in its legislative history is there expressed any authority whereby the Commission is invited to exercise any power or control over program content. Exceptions to the foregoing, dealing with obscenity, profanity, and the like are specifically spelled out. Congress recognized that no radio station could long exist which did not merit approval of its listeners and the regulatory authority was then directed to confine its functions to specific attributes of broadcasting dealing largely with technical considerations. However, the tendency has been toward usurpation of these powers specifically withheld."

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SARNOFF RECALLED FOR QUESTIONING IN CHAIN QUIZ

Although the chain-monopoly investigation by the Federal Communications Commission was concluded April 19th so far as the taking of direct testimony was concerned, the four-man committee has decided to recall David Sarnoff, President of the Radio Corporation of America, and George Engles, Vice-President and Managing Director of NBC Artists Service for cross-examination on May 11th.

Oddly enough, Mr. Sarnoff was the first witness when the inquiry opened last November. At that time it was stated that he might be recalled for cross-examination.

Before writing its report, the Committee must act upon the ticklish motion made by Louis G. Caldwell, counsel for the Mutual Broadcasting System. Mr. Caldwell, during the closing days of the hearings, moved that the FCC issue an order prohibiting the extension or renewal of present network affiliation contracts beyond December 31, 1940.

Meanwhile, a tabulation of the cost of the FCC chain-monopoly inquiry showed that it ran to about $500,000, most of which came out of the pockets of the broadcasters. More than 100 witnesses were heard, and 30 attorneys participated in the inquiry.

The cost to the FCC was estimated at between $20,000 and $25,000, while the major networks spent approximately $200,000 each on personal services, preparation of exhibits, etc.

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CHAVEZ REINTRODUCES PAN AMERICAN STATION BILL

Dormant for almost a year, the Pan American short-wave station proposal was revived last week with the reintroduction of a bill by Senator Chavez (D.), of New Mexico.

It is a revised version of the measure he and former Senator McAdoo introduced jointly during the last session of Congress to construct a $3,000,000 Federal radio station in Washington "to promote friendly relations among the nations of the Western Hemisphere". The principal changes provide that the letters "PAZ" (Spanish for "peace") be included in the call letters and that the station be built near Washington, D. C., instead of San Diego, California.

Viewing the legislation as a threat of the Federal Government getting into the broadcasting business, the National Association of Broadcasters announced it will oppose the Chavez bill as it has opposed all similar bills. "Even though they are 'designed to promote friendly relations among the nations of the Western Hemisphere', the NAB feels that enactment of any one would constitute a long step toward Government ownership of the industry", a statement of the NAB said.

It is understood that the Secretary of State would direct programs of such a station as proposed.

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SAYS FCC N.Y. NIGHT CLUB FRACAS EXAGGERATED

The story of the mixup in a New York night club during the visit of the committee of the Federal Communications Commission which went to that city to study the television situation reported to Congress by Representative Massingale (D.), of Oklahoma was somewhat exaggerated, according to Commander T.A.M. Craven, who was the Chairman of the Committee. Commander Draven, who himself was in no way involved in the melee, would not discuss the affair for publication further than to say that the whole thing had been greatly magnified.

According to the best information available only one Commissioner was concerned who for some unknown reason apparently aroused the ire of a night club hostess sitting at his table. She was said to have struck him a couple of times before they could be separated.

It was reported that Mayor F. H. LaGuardia, of New York, who because of a series of rows in night clubs recently declared that brawling in public places must stop may make his own investigation and may call the night club proprietor on the carpet if the hostess in the establishment where the trouble occurred was found to be the cause.

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PUBLISHERS' GROUP LAUDS RADIO COOPERATION

Cooperation of radio and the press in recent months was cited by a Radio Committee of the American Newspaper Publishers' Association during its closing session in New York last week.

A new high point of cooperation among radio, newspaper and newspaper press services were recorded in the dramatic Munich crisis last Fall, according to the Radio Committee report, presented by J. S. Gray of the Monroe (Mich.) News.

"Radio has been generous", the report continued, "in acknowledging the incomparable quality of the newspaper press reports during those periods in which the press services have been released to radio in the public interest. The press, we believe, is equally appreciative of the value from the public standpoint of the radio achievement.

"American press news today traverses the international air waves hourly throughout sixteen hours of every day and in six or more languages.

"Less assuring from the viewpoint of the press has been the continued sale of time by broadcasters to advertisers for 'news' features of all sortsand kinds. Whether broadcasters eventually will come to share the newspaper view that advertising sponsorship of news reports constitutes a questionable practice adverse to the prestige and larger interests of the medium indulging in it, is a question not yet answered. It seems apparent, however, that the failure to date of broadcasters to accept presentation of the news as a public service purely, to be held separate and apart from the sale of their time to advertisers, constitutes a weakness in their otherwise strong claim for greater institutional security and for increased freedom from bureaucratic control."

The report cited the Association's questionnaires last year and this year, showing "a striking change" in newspaper policy of handling radio programs, It said:

"Of newspapers reporting last year, 235 not owning radio stations or not affiliated with stations stated their policies relating to the printing of programs and program publicity. Only 33 of the 235, or 14 per cent reported exclusion of radio programs, except as paid matter.

"Of newspapers reporting this year (995 not owning or affiliated with broadcasting stations), some 387 or 37 per cent, stated that they published radio programs as paid matter only. In the 1938 survey 9 percent of the papers reported publishing trade names in connection with programs. In this year's larger survey only 3 percent so reported."

The Radio Committee report also cited the limitations of television and the "ultra-heavy investments" involved, adding that "it has been predicted that a period of at least five years of development will elapse before dependable judgments can be made as to revenue potentialities."

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TELEVISION MOVIES CROSS ATLANTIC FIRST TIME

Television moving pictures that had spanned the Atlantic were shown for the first time at the opening meeting of the International Scientific Radio Union at the National Research Council, Washington, last Friday.

It will not be possible to repeat the miracle, with an equipment available at present, for 11 years. They came through only under the peculiar electrical conditions in the upper atmosphere which obtain during a sunspot maximum.

"They were probably the most ghostly pictures ever thrown on the screen, and the sober scientific meeting took on the atmosphere of a spiritual gathering", the Washington Star reported. "One looked like a picture of two ghosts with bodies of ectoplasm making love to each other in an uncanny fog beyond death. Now and then the density of the fog would diminish for an instant so that they could be seen kissing each other, with one sitting on the other's knee. It ended in a ghostly quarrel apparently with the ectoplasmic mouth of one or the other moving violently.

"Actually it was a movie of a play on a London stage, with the lovers' parts played by two persons dressed in American colonial costumes.

"Another scene looked like - but it wasn't - the distorted face of the ghost of Adolph Hitler, apparently in considerable pain, and immersed in the same kind of beyond-death fog which cleared away from it in brief instants. Actually it was the picture of a London radio announcer."

The pictures were picked up on special equipment from London at the R.C.A. Communications laboratory at Riverhead, N.J. Received on a television screen they were rephotographed with a moving picture camera simultaneously.

The weird show was given by D. R. Goddard, RCA engineer. The pictures were obtained, he said, last October and November when conditions were as close as possible to ideal for reception on the 45-megacycle wave length used by the British Broadcasting Corp. for television. They were intended for transmission within a range of about 50 miles of London.

Actually, Mr. Goddard said, the movies do not quite do justice to what he saw on the television screen at Riverhead. There were minutes at a time, he said, when the British pictures came through with fair clarity.

Radio engineers present stressed that the demonstration silenced claims that effective television transmission always would be confined to within 30 or 40 miles.

Exploration of the high atmosphere hundreds of miles above the earth's surface, where the atmosphere thins into empty space, was reported to the Radio Union the following day.

This is the region known as the ionosphere, where an electric shield is established by the action of the sun's ultra-violet light, which prevents radio waves from escaping into space. The ionosphere is explored by the time taken by radio impulses to bounce against it and be reflected back to earth again. Its distance is from 100 to 300 kilometers. The time taken for the return trip journey ranges from one 1,500th to one 500th of a second.

The report was presented by Dr. L. V. Berkner of the Carnegie Institution of Washington, who set up and is directing the use of the present measuring apparatus. Following the meeting the annual conference of ionosphere experts was held at the terrestrial magnetism laboratory.

The reflection of radio waves from the jagged edges of the ionosphere, where night and morning meet, was reported by Drs. J. A. Pierce and H. R. Mimmo of Harvard University.

For many years, they said, it has been generally known that strong, sharply defined radio echoes occasionally return to the sending station after having traversed a path which greatly exceeds the round-trip distance to the ionosphere. Such effects hitherto have been ascribed to reflections from mountains or from concentration of negatively charged particles over the polar regions, where they supposedly are drawn by the magnetic field of the earth.

Their own studies of numerous such reflection patterns, they said, indicate that the delayed echoes are returned from regions where there is a marked curvature of the F. layer, the second of the electrified strata of the ionosphere. A region of this sort normally occurs at the edge of the sunlit zone and can turn back a ray which may have traveled many thousands of kilometers around the dark side of the earth. Small night-time variations in the curvature of the F layer, they said, are of very common occurrence and are believed to explain such phenomena as long-period, long-distance radio fading.

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McNINCH, ILL, TAKES LEAVE OF ABSENCE

Chairman Frank McNinch of the Federal Communications Commission has left Washington for a three-week stay at an undisclosed destination. At Mr. McNinch's office, it was said the Chairman's health has not been good for some time and he had decided on a rest period in an effort to recuperate.

During his absence, the other Commissioners, starting with Thad H. Brown, will serve in rotation as Acting Chairmen.

In some quarters it was believed that Mr. McNinch might remain away indefinitely or even resign because of his illness. He has twice been in Naval Hospital with a stomach disorder.

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COMMDR. WEBSTER NAMED FOR POLISH PARLEY

The Federal Communications Commission last week designated Commander E. M. Webster, Assistant Chief Engineer of the Commission, as its representative at the meeting of the Subcommittee of the Third World Conference of Radiotelegraph Experts for Aeronautics. The Conference will be held at Cracow, Poland, May 19 to May 22.

The Cracow Conference will lay the groundwork for an allocation of frequencies for inter-continental air routes. Any future assignments of frequencies to commercial aviation companies operating under the jurisdiction of the United States, and licensed by the Federal Communications Commission must necessarily be based upon a comprehensive plan covering the allocation of frequencies to the aviation services generally.

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RADIO REPORTERS ADMITTED TO WHITE HOUSE CONFERENCES.

Radio news reporters were granted equal rights with the press at White House press conferences yesterday, as a result of negotiations between Fulton Lewis, Jr., temporary Chairman of the Radio Correspondents' Association, and Stephen T. Early, White House secretary.

All departments and agencies of the Federal Government have now given radio reporters these rights, Mr. Lewis announced and the Senate and House have set up specidl radio press galleries in the last two weeks.

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COAST GUARD TO BUILD STATION NEAR D.C.

The United States Coast Guard will establish a $205,000 radio stations on Telegraph road, five miles south of Alexandria, it was announced this week.

Contract for building the station was awarded to W. Frank Martens, of Newport News. The Coast Guard purchased a 200-acre tract for the site and said work on the station would begin immediately.

Coast Guard spokesmen said the station would form a link between Washington headquarters and districts throughout the country. Local communication operations now are carried on from a temporary transmitter at Fort Hunt.

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PROBE OF PRESS WIRELESS ORDERED BY FCC

The Federal Communications Commission this week ordered an investigation into the charges, practices, classifications, and regulations of Press Wireless, Inc., in connection with the multiple address public press services of this corporation to the territories and possessions of the United States lying outside the continental boundaries of this country. Date for hearing was set for June 15 at the offices of the Commission in Washington, D. C.

The Commission intends to investigate the question of whether Press Wirless, Inc., has been unjustly discriminating against customers of its multiple address service in the territories of the United States by making an additional charge where no additional cost was involved to the company in furnishing this service.

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NOTABLES TELEVISED AS NEW INDUSTRY MAKES DEBUT

President Roosevelt and other notables were televised as a new industry made its debut coincidental with the opening of the New York World's Fair on Sunday. The television inauguration by the National Broadcasting Company was on the whole a success, the press reported, and was "tuned in" on between 100 and 200 receivers.

The radio industry awaited meanwhile with keen interest first reports of the sale of television receivers in New York retail stores.

"The event on the air was appraised by leaders in radio as the beginning of a new industry, the aim of which is to take Americans sight-seeing by radio", according to Orrin E. Dunlap, Jr., Radio Editor of the New York Times. "Reports from receiving outposts scattered throughout a fifty-mile radius of New York indicated that the spectacle by television was highly successful and that a new industry had been launched into the World of Tomorrow.

"It was estimated that from 100 to 200 receivers were in tune and that possibly 1,000 persons looked in on the pageant brightened on the screens by a sun described by the camera men as ideal for telecasting.

"The two mobile television vans of the National Broadcasting Company were lined up at the end of the platform in the Court of Peace and the aerial was run up to the peak of the Federal Building. One van is a transmitter, which relays the scenes to the main station atop the Empire State Building. The second van handles the pick-up. It was attached by coaxial cable with the camera on the newsreel platform, about fifty feet from the speakers

at the microphones, which were linked with more than 500 stations here and abroad.

"Burke Crotty, producer in charge of the mobile units, said that much had been learned from the telecast. He confessed that the performance was far from perfect but nevertheless highly successful, considering the fact that it was the first attempt of American radio men to telecast such a vast outdoor program.

"British radio officials who witnessed the scene were amazed at what they called 'the nerve' of the Americans in having only one camera on the scene. They said they would have used at least three or four cameras for fading in scenes from different angles to gain variety. Then, too, they wondered what would happen if the electric eye burned out at the crucial moment. The American engineer said, 'That's not our luck, but should the optic go blind then we are licked.'

"The main criticism of television viewers on the Fair Grounds and at Radio City was that the camera was too far away from the speakers, causing the images to be too small. They also complained of the camera man's remaining in the same spot for the entire show. It was explained, however, that this could be overcome only by the use of additional cameras, since the Secret Service would not permit the camera man to roam around and get the lens as close to the President as the radio microphones are arrayed.

"Crowds of the Fair watched the ceremonies on twelve television receivers on exhibit at the Radio Corporation of America Building. They saw the scenes as they were flashed eight miles to the Empire State Building and back again to Flushing on ultra-short waves. The screens were nine by twelve inches. The images traveled on 45.25 megacycles and the affiliated sound on 49.75 megacycles."

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BRITISH TELEVISION OFFICIAL INVADES U.S. MARKET

Ian C. Javal, Commercial Director of Baird Television, Ltd., and British expert, arrived Friday from London on the Cunard White Star liner"Aquitania" with a staff of engineers from the Baird factory and experimental laboratories at Sydenham, England. He said that he had brought with him $150,000 worth of theatre-television equipment, cameras and the latest development in home sets.

Mr. Javal said that television was "born in England three years ago", and that now there are "telecasts" which are received in British homes four hours a day.

He said that his company wished to show America what, in his opinion, is the most advanced television work, and this week he will demonstrate, in collaboration with the Gaumont-British Corporation, the effectiveness of television for theatres.

He subsequently demonstrated reception of the World's Fair television broadcast before a private audience, using a Baird "Cathovisor", cathode ray type of receiver.

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TRADE NOTES

The National Broadcasting Company has announced the inauguration of its new directional short-wave antennae, centred on Buenos Aires.

The Federal Trade Commission has closed its case against Temple Electric Corporation, 80 Cortlandt St., New York, and others, charged with unauthorized use of certain well known trade names in the sale of radio sets. The unfair practices alleged in the complaint were covered in an order to cease and desist issued against Knight Electric Co., Inc., 16 Hudson St., New York, and others in May, 1937, in which the parties in the Temple Electric Corporation case were also respondents.

The Crosley Corp. last week reported net profit of $208,916 for the first quarter of 1939, after depreciation and Federal income tax. This compared with net loss of $25,774 for the corresponding period of last year.

Five new programs will be presented by the Columbia Broadcasting System, starting this month and next. They include "Democracy in Action", "The World Today", "Scales of Justice", "Bull Session", and "Women in the World of Tomorrow".

Wilson E. Burgess, amateur radio operator of Westerly, R.I., has been selected by a board of five distinguished judges for the William S. Paley Amateur Radio Award for 1938. Mr. Burgess will receive the honor from Mr. Paley at a presentation luncheon in the Hotel Pierre, New York City, Tuesday, June 6th. Selection of Mr. Burgess was based on his heroic performance during the hurricane which devastated large sections of that part of New England.

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MULLEN ELECTED RCA VICE-PRESIDENT

Frank E. Mullen, Manager of the Department of Information of the company, has been elected Vice President in Charge of Advertising and Publicity of the Radio Corporation of America, according to an announcement by David Sarnoff, President. Horton Heath, assistant to Mr. Mullen, was promoted to Manager of the Department of Information.

A native of Kansas, Mr. Mullen attended Iowa State College, where he studied journalism. He joined the National Broadcasting Company in 1926, and in 1934 was appointed manager of the newly created Department of Information of RCA.

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CROSSLAND NAMED G.E. TELEVISION SALES CHIEF

Harry A. Crossland has been appointed Manager of Television Sales of the General Electric Company at Bridgeport, the first to hold the position, Perry F. Hadlock, newly appointed Division Manager, announced last Saturday. Four other appointments to the radio and television division also were made known.

Mr. Crossland has been in radio work for the last twenty years and since 1931 has been in the Bridgeport plant of the company, where he has been successively assistant to the commercial engineer, manager of the radio service section, manager of radio tube sales and manager of the technical sales and service section.

Philip R. Butler, who joined the company in 1935, as a radio field engineer, succeeds Mr. Crossland as Manager of Technical Sales and Service.

Arthur A. Brandt, for the last two years Advertising Manager for Radio, was named Manager of Merchandising Services, including the direction of merchandising, advertising and sales promotion of all products of the Radio and Television Division.

Fred A. Ray, who for six years was District Radio Sales Manager in charge of the territory made up of Ohio, Michigan, Indiana and Kentucky, becomes Manager of Radio Sales.

Charles R. Barhydt was named Commercial Engineer for Radio and Television, succeeding Mr. Hadlock.

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CINCINNATI GETS FIRST GLIMPSE OF TELEVISION

The first demonstration of television in Cincinnati took place on the top floor of the Carew Tower last week when the Crosley Corporation gave a special showing of its experimental television broadcasting and receiving equipment to representatives of the press.

As yet there has been no broadcasting of programs, but the transmitting and receiving equipment has been used to televise by telephoto lens, the city's taller buildings and the territory surrounding Cincinnati for a radius of several miles in Ohio and Kentucky. The application now under consideration by the FCC for the construction permit calls for video and audio transmitters of 1000 watts power each to operate on the 50-56 megacycle frequency television band.

According to Crosley officials no definite date has been set for broadcasting experimental television programs. It is expected that in the near future experimental dramatic sketches will be undertaken in an attempt to determine what material is best for television purposes when regular programs are scheduled.

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LONG CONGRESS MAY BRING ACTION ON FCC

The decision of Congressional leaders to keep the present Congress in session until late Summer because of the international situation has revived reports that some action may be taken on the proposed reorganization of the Federal Communications Commission.

The Wheeler and White bills were believed to be pigeon-holed a few weeks ago when Administration spokesmen were talking about closing up shop on Capitol Hill by mid-June. The President had told Senator Wheeler (D.), of Montana, that he didn't consider the FCC shake-up urgent.

Yet with prospects of a session that may go well into August or possibly later, Senator Wheeler has indicated he may start hearings before a sub-committee of the Senate Interstate Commerce Committee. There still, however, appears to be enough sentiment against a three-man Commission, such as proposed by Chairman McNinch of the FCC, to force revision of the Wheeler bill even before it gets on the Senate floor.

Meanwhile, it was learned that an informal poll had been taken in the Senate to ascertain whether or not Mr. McNinch would be confirmed if he were returned as Chairman of the Federal Power Commission. The poll, it was said, showed that he would not.

As a consequence, Mr. McNinch is being referred to on Capitol Hill as "the problem child". Administration spokesmen have indicated they would like to get him off the FCC but in a way that would save him embarrassment.

With just about six weeks left of the present fiscal year the FCC is faced with the possibility of an empty pocketbook on July 1st. Congress has refused so far to appropriate any funds for its continuation after June 30th because of the proposed reorganization, but it is manifestly impossible for a reorganization to be effected before July 1st.

The expected solution is that Congress late in June will enact a resolution continuing the FCC appropriation for so long a period as necessary, up to a year, before a reorganization may be accomplished.

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CRAVEN AND MILLER TO ADDRESS RMA MEETING

Commissioner T.A.M. Craven, Chairman of the special Television Committee of the Federal Communications Commission, and Neville Miller, President of the National Association of Broadcasters, will address the annual meeting of the Radio Manufacturers' Association in Chicago June 13.

Selection of the "Terrace Casino" in the Morrison Hotel, Chicago, for the annual "RMA cabaret" and radio industry banquet, during the fifteenth annual RMA convention next June, has been approved by the Association's Board of Directors.

All business and committee meetings of the RMA and the National Radio Parts Show, which is almost sold out already, will be held at the Stevens Hotel. Many meetings of the Sales Managers Clubs, which jointly sponsor the parts show with RMA, of the Radio Service Men of America, "The Representatives", and other allied industry organizations will be held at the Stevens Hotel.

The radio industry's annual golf tournament will be held Thursday, June 15, at the Calumet Country Club.

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SHARP RISE IN U.S. EXPORTS OF RADIO EQUIPMENT

Exports of electrical equipment from the United States during the month of March were valued at $10,006,969, a gain of $2,616,882, or 35.4 percent, over the February total of $7,390,087, according to the Electrical Division, Department of Commerce.

Foreign sales of all classes of radio equipment followed the general upward trend, recovering from the unfavorable showing made during the preceding month. Exports of transmitting sets increased from $135,364 to $156,915; receiving sets from $704,409 to $875,746; receiving tubes from $173,947 to $259,114; receiving set components from $301,358 to $412,751; loudspeakers from $29,104 to $43,213; and other receiving set accessories from $28,390 to $41,022.

Exports of non-specified telephone equipment and parts continued larger, increasing from a value of $197,888 in February to $473,965 in March.

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HEARING ORDERED ON LAGUARDIA PLEA

The Federal Communications Commission this week designated Commissioners Case, Craven and Payne as a committee to preside at a hearing to determine whether the rules of the Commission should be modified to permit the rebroadcasting of programs of international broadcast stations by regular broadcast stations which are operated on a non-commercial, non-profit making basis. The Committee will set a date for the hearing in the near future.

The action of the Commission in calling a legislative hearing on this question is based on an earlier petition of Mayor LaGuardia to have the rules amended to permit such stations as WNYC, municipally owned radio-broadcast station in New York, to rebroadcast the programs of international broadcast stations in the United States.

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TELEVISION COURSE TO BE GIVEN OVER SHORT WAVES

Television classes in living rooms will shortly be made possible by Station W1XAL, of Boston, which announces a course in "Practical Television" to be added to its World University of the Air curriculum next month.

This new instruction course made available for short-wave listeners everywhere will begin May 15th and run for eight consecutive weeks, according to Walter S. Lemmon, founder and President of the World Wide Broadcasting Foundation of Boston.

"Each lecture lasting a full hour on the air will cover a complete subject and the entire weekly series will enable radio listeners to gain a working knowledge of television", said Mr. Lemmon. "While the course is simplified for the layman, it will contain many helpful hints for radio service men and dealers who may shortly be called upon to install television sets."

The World Wide Broadcasting Foundation has prepared a printed text complete with diagrams and illustrations to help the listeners follow the distant instructor at Boston. Dr. C Davis Belcher, a radio engineer, who conducts the course, employs a master blue print near the W1XAL microphone and thousands of students all over the world using their printed texts can follow him as he traces the new television circuits. A forty-page booklet of diagrams is supplied by The Foundation to its students at $1.00 to cover the cost of preparation and mailing.

The new practical television series will be broadcast by Dr. Belcher over W1XAL each Monday evening at 8 P.M., E.S.T. over wavelengths of 6.04 and 11.73 megacycles.

The range of topics to be discussed by Dr Belcher will include "The History of Television", "Photo Electricity", "Cathode Ray Tubes", "Iconoscopes and Kinescopes", "Television Antennas" and similar subjects. Dr. Belcher will be assisted in his lectures by Hollis Baird, a pioneer American television experimenter, who is also Chief Engineer of W1XAL.

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COLUMBIA SCORES LARGEST APRIL IN HISTORY

Gross billings of the Columbia Broadcasting System for April aggregated $2,854,026, thereby marking the highest figure for that month in CBS history, and rising 17.7% over April, 1938.

Despite the records set during the first months of '38, the current upward trend on Columbia practically matches that all-time high with a four-month cumulative total of $10,995,309 - within 0.2% of the four-month gross last year.

Analysis of weekly gross expenditures for CBS facilities as of May, 1939, shows that the web's present clients are investing 104.6% more than when their original campaigns first started on the network.

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PUBLISHERS SAY TELEVISION COMPETITION IS REMOTE

Newspaper publishers haven't yet begun to worry about the danger of advertising competition from television. Publication of the text of the report of the Radio Committee of the American Newspaper Publishers' Association this week disclosed the following comments on the new visual broadcasting medium:

"Those who have witnessed recent rehearsals of the New York broadcasts planned for May 1 and thereafter, including a representative of your committee, have been impressed with the technical excellence of the television process on the eve of its public trial. Under ideal conditions of reception the reproduction of staged drama, of motion picture film, and of outdoor events, is proficient and pleasing. In studios where trials are in progress the presentation on the receiving screen is relatively clear and steady, having been freed largely of the imperfections apparent in earlier demonstrations.

"On the other hand, those closest in touch with the engineering and mechanical development, and those most concerned with its rise as an entertainment and advertising medium, are frank to admit its sharp limitations, as well as the mechanical and investment problems involved in promoting its widespread use in the home.

"The present range of broadcasts from a single station is limited to the visual horizon as scanned from the sending tower. The ultra short wave energies employed in the present process appear to radiate downward, funnel-like, from the sending tower. They do not appear to follow the curve of the earth's surfaces as do the energies used in ordinary broadcasting. It is estimated the NBC's range of broadcasts from the Empire State tower will not exceed 50 miles.

"As now foreseen any extension of a network of such transmission will involve lines of tower relays to other areas, or a complicated cable relay through an extensive system of wires.

"While relatively free from the atmospheric or natural interferences affecting other types of broadcasting, television is still baffling sensitive to mechanical radiations including even those projected from automobile ignition systems.

"Very wide channels are required for this form of broadcasting and they are limited now to seven in number, not all equally desirable.

"Television broadcasters confront ultra-heavy investments in equipment and mechanical maintenance, and program material is vastly more expensive than that used in an exclusively auditory system.

"Employment of a system of home-received television for advertising, or for other revenue purposes, seems remote at the present time due to the limitations stated, and due also, of course, to the fact that such use depends entirely upon the degree of home acceptance of the medium. Vast investment by the public in receiving equipment must first provide the advertising attraction. It has been predicted that a period of at least five years of development will elapse before dependable judgments can be made as to revenue potentialities."

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RMA COOPERATES IN SPECIAL SCHOOL SET DESIGN

Tentative specifications for design of radio receiving sets specially for school use are being developed by the Radio Manufacturers' Association in cooperation with the Committee on Scientific Aids to Learning, of the National Research Council. Directing the latter is Dr. Irvin Stewart, formerly a member of the Federal Communications Commission. Proposed specifications for special school receivers have been prepared by Dr. Stewart and his committee and submitted recently to the RMA for consideration of the RMA Engineering Department and others in the manufacturing industry. When completed the special school receivers will be recommended widely to national educational organizations, with a practical, quality set as the objective design.

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NEW YORK PUBLIC INTERESTED IN TELEVISION SETS

With the television industry's public appearance in the country only a few days old, inquiry at various metropolitan radio and department stores this week disclosed a "surprising interest" on the part of the public to inspect the sight and sound receivers, according to the New York Times. Those who visited the showrooms to see the magic of pictures through the air were said to be impressed by the clarity and definition of the reproduced images.

Although the actual sales figures were not available, representatives of the establishments reported that "a number" of sets had been sold.

During the course of the day, a queue of 6,000 persons slowly threaded its way through R. H. Macy & Co., Inc., under the supervision of six policemen, who were called to maintain order when the crowd threatened to become unruly. By actual count, an average of twenty persons a minute passed before the animated television screens during the five-hour demonstration.

In addition to the test programs picked up from the National Broadcasting Company's transmitter atop theEmpire State Building, film shorts and news reels projected from a television camera installed on the premises, were exhibited at the Macy store. All showrooms demonstrating television used the NBC programs.

Bloomingdale Brothers, Inc., reported an orderly crowd of "several thousand", part of which was attracted by the half-hour millinery fashion shows, which are conducted over an indoor television circuit.

An estimated 250 persons visited the Harvey Radio Company's viewing booths at 103 West 43rd St., while Haynes Griffin, radio dealers at 373 Madison Ave., reported a "slightly above average" crowd, attracted "purely through curiosity".

Mortimer W. Loewi, Vice-President of the Allen B. Dumont Laboratories, Inc., manufacturers of television equipment, disclosed that production was about three months behind schedule due to increasing orders. He said that steps were being taken to speed up the output to satisfy the immediate need.

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MBS BILLINGS RISE 38.6% FOR APRIL

Billings of the Mutual Broadcasting System in April were $262,626, compared with $189,545 in April, 1938, an increase of 38.6 per cent. Billings for four months of 1939 were $1,161,285, compared with $945,566 for the corresponding period of 1938, a gain of 22.8 percent.

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RMA MOVES TO REDUCE TUBES ON MARKET

A movement to reduce the number of new radio tubes introduced in the industry has been ordered by the RMA Board of Directors. Upon recommendation of the RMA Engineering Department of which Dr. W.R.G. Baker, of Bridgeport, Conn., is Director, a special committee is studying means to reduce the number of new tube types. The Committee members are David Sarnoff, of New York; James M. Skinner, of Philadelphia; A. H. Gardner, of Buffalo; B. G. Erskine, of Emporium, Penna.; Roy Burlew, of Owensboro, Ky.; and David T. Schultz, of Newton, Mass.

Mr. Baker reported a large increase in the number of new tubes being introduced, including many of only minor adaptations. The extreme number of tubes is a difficulty for the public as well as the trade, and the RMA committee will investigate plans to control the problem of multiplicity of tube types. A plan to prevent an undue number of unnecessary tubes will be reported by the committee to the RMA Board of Directors at the Association's Chicago convention next June.

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BRITISH PRODUCE LIGHTWEIGHT RADIO FOR AIRCRAFT

A remarkably lightweight and compact radio set, probably the lightest with its performance ever produced, has been designed to the specification of Imperial Airways, and is now being tested on their Empire routes, according to the American Commercial Attache, London.

The set may be carried as an auxiliary to the standard radio equipment on the Atlantic route this Summer. It may also be adopted for a similar purpose on the long-distance Empire services, and for use in Control launches. Although of such small proportions and conveniently self-contained, the set incorporates all the features required to meet communication requirements on the Empire air routes.

Squadron Leader E. F. Turner, Radio Superintendent of Imperial Airways, was responsible for producing the general specification of the new radio, and he has collaborated with the manufacturers who undertook the construction.

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TRADE NOTES

The Federal CommunicationsCommission announced this week that Andrew Gibbs Cochran, 17 years old, of Chicago, Illinois, has been convicted as a delinquent under the Juvenile Delinquency Act for operating an unlicensed radio station in violation of Sections 301 and 318 of the Communications Act of 1934 as amended. The conviction followed disregard of previous warnings by the Commission. Probation authorities advised Judge Charles E. Woodward, United States Federal Court, that the defendant had filed application for admission into the Civilian Conservation Corps. The Court placed the defendant on probation pending his admission as a member thereof.

W3XAL, the National Broadcasting Company's short-wave station at Bound Brook, N.J., is now transmitting a more powerful signal to Argentina than any other American station operating on the 9500 kilocycle area, according to information just received from Buenos Aires by Frank E. Mason, Vice-President in charge of NBC's International Division.

Use of lottery methods in the sale to ultimate consumers of candy, cigarettes, radios, blankets, and other merchandise, is charged in complaints issued by the Federal Trade Commission against Schall Candy Company, Clinton, Iowa, and David Kritzik, trading as General Merchandise Company, 843 North Third St., Milwaukee.

Columbia Broadcasting System this week announced a dividend of 35 cents on the Class "A" and Class "B" shares, payable June 9 to stock of record May 26. The company paid 25 cents in previous quarters.

The Greek Ministry of Press and Tourism, which recently took charge of radio broadcasting, would like to receive proposals from American manufacturers of radio broadcasting apparatus for two broadcasting stations to be installed in Salonike and Jannina, according to the U. S. Commerce Department. These stations are intended for relaying programs from the 15 KW station in Athens, which has been in operation since about the middle of 1938. It is reported that the Athens station is not powerful enough to cover the northern provinces, and that the installation of two auxiliary stations is a pressing problem.

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LOFTY NAVY RADIO TOWERS TO BE TORN DOWN

The lofty radio towers at Arlington, Va., which have stood out against Washington's sky-line for a quarter of a century, are soon to come down.

Naval officials disclosed this week that plans call for abandoning the Arlington station, their oldest high-power transmitter, within the next year. Dangers to aircraft operating from the new Gravelly Point air station, and a desire to consolidate naval radio transmission at Annapolis are responsible for the decision, it was said.

Since February, 1913, time signals and weather reports have gone out daily at spaced intervals from the tall spires across the river. During the World War, all orders and messages from the Navy high command to the scattered ships of the fleet were sent from its antenna.

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SWEDEN MARKS TENTH YEAR OF SCHOOL BROADCASTING

"Ten years have elapsed since broadcasting in Sweden was applied as an organic link in school lessons and educational work in general", the U. S. Commercial Attache at Stockholm reports. "From their very inception, the broadcasts to Swedish schools won great popularity and appreciation both among the teachers and pupils. This fact is clearly displayed by the rapid development of this form of education in the past 10 years, during which time the number of listeners has increased tenfold. Thus, in 1929, about 14,000 copies of the program were distributed to 283 schools, while, today, 140,000 copies are distributed to pupils in more than 4,000 schools throughout Sweden.

"The successful collaboration, commenced a decade ago between the Swedish Board of Education and the Radio Service, has been developed to meet needs of both education and diversion. The programs for the elementary schools have been reduced, as the pupils are too occupied with a heavy curriculum. While the programs broadcast to the elementary schools deal with a wide range of subjects, those for the secondary schools have been confined to courses in English, French and German, Danish and Norwegian. These language lectures - which are made available to teacher and pupils in advance have, however, proved a valuable supplement to the language instruction given by the school themselves.

"Naturally enough, the broadcasts are most highly appreciated by the elementary schools and especially those in remote country districts, and to make it possible for small schools to obtain suitable radio equipment to a certain sum out of radio license revenue is used annually for the purchase of apparatus. A successful propaganda is also being carried on among the school authorities for the introduction into schools of central radio apparatus with outlets in the various classrooms or of smaller portable apparatus, the pupils of the larger schools having hitherto to a great extent gathered in the assembly halls during the broadcast lessons.

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RCA EARNINGS GAIN; TELEVISION TRADE SEEN

Net earnings of $1,448,110 for the first quarter of 1939, reported to stockholders of the Radio Corporation of America by David Sarnoff, President, at the annual meeting at the company's offices in Rockefeller Plaza this week, represented a gain of $10,309 over the $1,437,801 earned in the first quarter last year.

Current earnings were equal, after preferred dividend requirements, to 4-6/10 cents a common share compared with 4-5/10 cents a share earned in the corresponding period of 1938.

Gross income of $25,004,989 for the first quarter this year compared with $22,630,568 for the first quarter of last year. Cost of goods sold, operating, development, selling and administrative expenses totaled $22,178,676 compared with $19,810,021 in the 1938 period.

Interest, depreciation, amortization of patents and provision for Federal taxes totaled $1,378,203 compared with $1,382,747 in the first quarter of 1938.

Balance applicable to the common stock, after preferred dividend requirements was $642,801 compared with $631,708 in the first quarter a year ago.

Commenting upon television Mr. Sarnoff pointed out that RCA six months ago announced it would put television programs on the air and sets on the market in the metropolitan area simultaneously with the opening of the World's Fair. "Two days ago RCA made good that promise", he said.

"It is, of course, too early to draw any conclusions as to the retail market demand for television receivers this year within the limited area and with the limited program service now available", he said but added, "we are confident, however, that television will grow as more television broadcasting stations are erected and as program service is increased. It should eventually prove profitable both as a new medium for advertising and through the sale of a new line of instruments. As the new services and products increase in public use television will provide new employment for thousands of workers in factories, studios and mercantile establishments."

Four Directors - Cornelius N. Bliss, Bertram Cutler, Charles G. Dawes and James G. Harbord, Chairman of the Board, whose terms expired were re-elected for a term of three years.

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UNIONS MEET TO SETTLE ROW OVER TELEVISION

The first controversy over labor union jurisdiction in the television industry, officially not a week old until tomorrow, was being aired Friday at a special meeting of the Associated Actors and Artists of America, the parent body of all American Federation of Labor performer groups in New York City.

Six days after the start of regular television broadcasts in conjunction with the World's Fair the executives of four unions will try to determine which organization should represent the new entertainment field, potentially one of the most important in the world of show business, according to the New York Times.

Although there are outward signs of harmony, the executives admit privately that there will probably be many lively discussions before the matter is settled, which may mean several months until it can be learned in just what direction television is going. The action of the unions will also be of major importance to film, theatre and radio employers, who are already giving close attention to anticipated changes in their inter-relationship because of the advent of television.

The specific case that brought the question of television jurisdiction to a head was cited by the union officials as an example of the intricacies of the problem. An individual whose name the unions declined to divulge approached the Columbia Concerts Corporation, associated with the Columbia Broadcasting System, and explained that he was representing a new corporation that wanted to engage grand opera singers for the manufacture of 16 mm. films. The films were subsequently to be televised, it was explained.

Since opera singers were involved, Columbia referred the inquiry to the American Guild of Musical Artists, headed by Lawrence Tibbett, which ordinarily represents opera performers. The Build, noting that a film was involved, referred the matter in turn to the Screen Actors Guild, of which Ralph Morgan is President. The screen body decreed that since television was involved it should be put before the parent body for decision.

The problem does not end there, however. The American Federation of Radio Artists, which only last Winter was recognized by the major radio chains, believes it has an inherent interest in a field that is so closely linked to radio. The Actors Equity Association, oldest of the actor unions and sponsor of the other subsidiary groups, insists it still controls the television jurisdiction and will take it over. Equity has surrendered piece by piece its original jurisdiction over all types of actors and, if it loses television, would definitely have to take a back seat in the union picture, it was noted.

Leo Fischer, executive secretary of the American Guild of Musical Artists, the only official who could be reached, declared his group was not a logical contender for the television jurisdiction. He described the question of jurisdiction as a "complicated mess" because nobody seemed sure what television would really turn out to be.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

RECEIVED MAY 10 1939

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No. 1123

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ISSUES DEFINED FOR HEARING ON REBROADCASTS

The Federal Communications Commission this week specified eleven issues that will be considered in connection with the proposal of Mayor LaGuardia to change the FCC rules so as to permit educational and governmental stations to rebroadcast programs of international short-wave stations.

A notice was sent out this week to all licensees on 550 to 1600 kc. and to all international station operators to appear at the hearing on June 7.

"For the purposes of developing information upon the question of modification of the rule as aforesaid", the FCC stated, "the following issues shall be determined:

"1. To determine whether the Commission should amend its Rule 177.1 so as to permit the rebroadcasting of programs of international broadcast stations by regular broadcast stations whose licensees are universities, other educational institutions, municipalities, other governmental agencies, or other non-commercial, non-profit-making organizations.

"2. To determine whether the Commission should amend its Rule 177.1(b) so as not to require authority from the Commission to rebroadcast the programs of high frequency broadcast stations by regular broadcast stations whose licensees are the same as those set forth in paragraph 1 hereof.

"3. To determine the basis for the distinction between the types of licensees mentioned in paragraph 1 hereof and other broadcast licensees for the purposes therein set forth.

"4. To determine to what extent, if at all, the amendment of the rules as set forth in paragraphs 1 and 2 hereof would affect the operation of commercial stations as to program service and listening audience.

"5. To determine whether the amendment of these rules in the particulars mentioned in paragraphs 1 and 2 hereof is consistent with the purposes of international broadcast stations, as set forth in Rules 1010, 1011 and 1012(c).

"6. To determine whether, in view of the long distance characteristics of international stations, and the unreliability of the short or national services of such stations, international stations should be permitted to be used to assist in the building of programs for regular broadcast stations.

"7. To determine whether in view of the limited number of frequencies available throughout the world for international stations and the relatively large number of frequencies now used for regular broadcast stations in the United States, and in view further of the position taken by the Government of the United States of America at all international conferences that international broadcast stations should be used exclusively for international transmissions of programs, the amendment of Rule 177.1, as set forth in paragraph 1 hereof, should be made.

"8. To determine whether the amendment of the rules in the particulars mentioned in paragraphs 1 and 2 hereof would be consistent with international agreements or treaties to which the United States is a party. (Article 7, Paragraph 19, of the General Radio Regulations, Annex 2, of the International Telecommunications Convention, Madrid, 1932; Article 7, Paragraph 22, of the General Regulations, Annex 2, of the International Radio Convention, Cairo, Egype, 1938; and Section 2, Table IV, of the Inter-American Arrangement Concerning Radio Communications, Havana, 1938.)

"9. To determine whether the Commission should change its basic policy of not authorizing the use of radio facilities where other facilities are available to render the same service.

"10. To determine to what extent a sufficient signal can be delivered by international broadcast stations throughout the United States to permit a satisfactory rebroadcast service.

"11. To determine whether the modification of the rules as set forth in paragraphs 1 and 2 hereof would serve public interest, convenience and necessity."

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FCC TELEVISION CONFERENCES CONTINUE

The Television Committee of the Federal Communications Commission reports that last week it conferred informally with representatives of the Majestic Radio & Television Corporation, the Crosley Corporation, and the Wald Radio & Television Laboratories, Inc.

The Television Committee, composed of Commissioners T.A.M. Craven, Chairman, Norman S. Case and Thad H. Brown, also announced that conferences will continue this week with the Don Lee Broadcasting System and the Zenith Radio Corporation.

In commenting on the situation, the Committee Chairman stated: "We are discussing frankly with the industry the problems inherent in this new visual means of communication. By proceeding deliberately we hope to make a logical and comprehensive report to the Commission concerning the various complicated aspects of television as a service to the public. The Television Committee will make its report to the Commission as soon as practicable after the conclusion of the series of conferences."

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APPELLATE COURT DENIES FCC REHEARING

The United States Court of Appeals for the District of Columbia on Saturday denied, in a brief opinion, the petition of the Federal Communications Commission for a rehearing in the case of the Pottsville Broadcasting Co. for a new radio station at Pottsville, Pa.

The decision, considered adverse to the Commission's authority to administer the radio broadcast provisions of the Communications Act, is held to be of such far reaching importance that William J. Dempsey, General Counsel of the Commission, announced that a petition will be filed with the Supreme Court of the United States for a writ of certiorari.

It is the contention of the Commission that the local court's original decision strikes at its administration of the law, alleging that the directions contained in the original opinion are a usurpation of the powers of the executive branch of government by the judiciary.

The Pottsville company sought a broadcasting license, which was denied, and the case was appealed. During the pendency of this litigation, another firm, the Schuylkill Broadcasting Co. applied for a station in the same town, but the Commission withheld action pending the court determination of the Pottsville case. In the court's original decision on the Pottsville case, it directed that the Commission reconsider the case on the original record in that case.

The regulatory body decided that it was its duty to consider both the Pottsville and Schuylkill cases at the same time, to reach a decision as which of the two applicants were likely to give the best service in the public interest. This right was denied by the court, which insisted that the Commission could only consider the original case on the record made at the original hearing.

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NBC BILLINGS CONTINUE RISE FOR APRIL

Gross expenditures by advertisers on the NBC networks showed an increase for the seventeenth successive month when April billings rose 7.6 percent over billings forApril, 1938. The total for April, 1938, was $3,560,984 compared to $3,310,505 for the preceding April.

The cumulative billings for the first four months of 1939 were up 7.7 percent over the four-month period in 1938 with a total of $15,514,431 compared to $14,408,905.

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TWO TELEVISION PATENTS GRANTED TO RCA

Two patents designed to improve television transmission were granted last week by the U. S. Patent Office to persons associated with the Radio Corporation of America. One enables television to pierce fog, while the other effects a clearer picture by means of a "back drop".

The television transmitting tube that can pierce fog and haze to pick up scenes for transmission through the ether was developed in the laboratories of the Radio Corporation of America, it is indicated in a patent (No. 2,156,392) granted to Harley A. Iams of Berkeley Heights, N.J.

The screen of the new tube picks up scenes by the heat waves given off by objects in the scene. Technically, these are known as infra-red rays and unlike light waves, they pierce fog and haze. Thus, what is primarily projected on the screen is not a light image of the scene but a "heat" or infra-red image.

Instead of being photo-electric as the ordinary "tele-eye" or Iconoscope of the television pick-up cameras, the screen is thermo-electric, that is, electric potentials are generated in it when heat waves strike it. The thermo-electric sensitive screen is disclosed as being a fine film of germanium, a rare earth metal, mounted on a thin sheet of mica.

When the heat image is projected on it localized potential differences appear in the film as a result of temperature differences in different elemental areas of the heat image. These correspond to lights and shadows of the scene. Now when the image on the screen is scanned by a pencil beam of electrons, electrical currents are released from the film corresponding with the lights and shadows of the scene. These impulses are amplified and broadcast. At the receiver they are converted into a visible image corresponding to that broadcast.

With the new tube it would be possible, for example, to televise a hot electric iron or a stove in a dark room.

A black "back drop" for the screen of television transmitting tubes results in more sharply focused and detailed television images, according to a patent (No. 2,156,391) issued to Willard Hickok of Bloomfield, N. J. The patent is assigned to the Radio Corporation of America.

The "back drop" is a film of graphite at the back of the transparent mica support on which are mounted the photo-electric elements that convert the scene being televised into an electric image which is broadcast through the ether.

It is explained that when the scene is focused on the ordinary photo-electric screen of the "tele-eye" tube, light from the image is reflected, bounces off the walls of the tube back on

the screen so that a double image may be formed. At the same time the photo-electric elements scatter the light. All this, it is indicated, blurs and makes hazy the image to be broadcast.

The black "back drop", which is the subject of the patent, on the other hand, absorbs the light which would thus ordinarily be reflected. The result is a sharper, more detailed image.

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ASCAP SUES BARBECUE STAND IN COPYRIGHT CASE

A suit charging copyright violations involving the alleged unauthorized playing of "The Umbrella Man" and "Sweet Sue" has been filed in the United States District Court for the Eastern District of Virginia against Harry Riganis, proprietor of Harry's Bluebird Barbecue, Alexandria, Va., just outside the National Capital.

The plaintiffs are listed as Gene Buck, President of the American Society of Composers, Authors and Publishers, and the music publishing firms of Shapiro, Bernstein & Co., Inc., and Harmes, Inc.

It is charged that both pieces were played on and before February 23 at the Bluebird for the public and for private profit. The copyright owner of "The Umbrella Man", currently a dance favorite, is listed as Harmes, Inc., which claims it purchased the lyrics and music from James Cavanaugh, Vincent Rose and Larry Stack.

The owner of "Sweet Sue", the petition states, is Shapiro, Bernstein & Co., Inc., which was assigned the rights from Will J. Harris and Victor Young.

The suit asks damages of $250 on each of the two counts and asks the court to restrain Mr. Riganis from using the songs in public

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ULTRA-HIGH FREQUENCY APPLICATIONS REQUESTED

The Federal Communications Commission this week ordered all holders of licenses for frequencies above 30,000 kc. to submit applications for renewal of authorizations by June 1. This action amends a previous order which set August 1 as the final date for receiving these applications.

Because of the limited number of frequencies available for these fixed services, the Commission plans to use the additional time for careful consideration of the needs of this radiocommunication service before October 1, 1939, which is the effective date of the new allocation of frequencies.

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RADIO OFFICIALS LISTED IN 1938 SALARY LISTS

Executives of the Columbia Broadcasting System, the Radio Corporation of America and theAmerican Telephone & Telegraph Company were included in the list of corporation salaries for 1938 reported this week to the Securities and Exchange Commission.

Among those reported were the following:

William S. Paley, President of Columbia Broadcasting System, Inc., $171,849; Edward Klauber, Vice-President, $78,304; Paul W. Kesten, Vice-President, $43,804.

David Sarnoff, President of the Radio Corporation of America, $100,900; James G. Harbord, Chairman of the Board, $60,640, and Otto S. Schairer, Vice-President $30,160.

Walter Gifford received $209,350 as President of the American Telephone & Telegraph Company. Those in the same company in addition to Mr. Gifford were: C. P. Cooper, Vice-President, $102,699; C. M. Bracelen, Vice-President, $75,000; F. B. Jewett, Vice-President, $66,000; A. W. Page, Vice-President, $67,500; K. S. McHigh, Vice-President $35,714; T. G. Miller, Vice-President $38,000; K. W. Waterson, Vice-President, $55,000; J. F. Behan, Treasurer, $33,000; C. A. Heise, Controller, $50,000, and W. H. Harrison, Vice-President, $45,777.

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LARGEST TELEVISION SCREEN PUT IN LONDON THEATRE

Cabled advice to Ian C. Javal, Commercial Director of Baird Television, Ltd., in New York, preparatory to the introduction of large screen television in Broadway motion picture theatres, states that the big Gaumont British New Victoria Theatre in London has been equipped with the world's largest television screen. The screen is 20 by 15 feet in size as compared with previous installations of 15 by 12 foot screens.

Baird engineers are working night and day to make as many installations as possible in London theatres before the telecast of the Derby at Epsom Downs on May 24. Twelve theatres are expected to be ready. Advance reservations for this event forecast its tremendous popularity and success.

Work is also progressing rapidly in New York in the installation of the apparatus at the Gaumont British offices at 1600 Broadway.

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FCC PLANS RECESS ON SUMMER HEARINGS

Hoping to clear its docket of pending cases during the Summer months, the Federal Communications Commission has decided that it will not hold hearings between July 15 and September 5, except in special cases.

There are a number of cases pending before the Commission, particularly in the radio broadcast sections, involving applications for new stations and for changes in existing frequencies and power. Under the new procedure, which abolished the examiner system, these have more or less become bottled up, and it has been decided to try to clear all of them up during the Summer months.

The Commission also has before it the Walker telephone report to Congress, and is meeting at regular intervals to revise sections in connection with the investigation of the American Telephone & Telegraph Co. It also has before it the voluminous record collected during the six months of public hearings on monopoly in broadcasting.

The Commission has announced that it has changed its regular meeting day from Mondays of each week to Tuesdays, beginning May 16th.

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DAILY FACSIMILE PAPER PUBLISHED AT FAIR

The New York Herald Tribune, in conjunction with the Radio Corporation of America, is publishing a daily facsimile newspaper on the grounds of the New York World's Fair. The paper, each edition of which consists of three sheets, is called the Radio Press.

The service is expected to demonstrate the possibility of printing parts of newspapers in the homes of readers by means of facsimile broadcast. Inauguration of the Herald Tribune-RCA service marks the first experiment in this field carried on jointly by an unassociated newspaper and a broadcasting organization, according to the newspaper. While similar experimental operations have been conducted by the Buffalo Evening News, the St. Louis Post-Dispatch and the McClatchy chain of papers in California, this is the first newspaper-sponsored test in the metropolitan area, it was explained.

The Radio Press is being published in the RCA's World's Fair building. Operations are conducted in full view of the public from 10 A.M. to 10 P.M. John A. Bogart, radio editor, and Whitelaw Reid, of the Herald Tribune staff, are editing the paper.

The Radio Press is being published four times daily. The first edition is devoted wholly to World's Fair news supplied by the Herald Tribune's World's Fair staff. Later editions carry other news furnished by wire services. The paper also uses pictures.

The paper is three columns wide, although the columns are somewhat broader than the ordinary newspaper column. One sheet of the paper can be transmitted every twenty minutes.

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CLEVELAND CUTS CRIME 50% BY USE OF RADIO

Modernized radio, telephone and teletype communication systems have enabled the Cleveland Police Department to reduce major crimes in that city by 50 percent in one year, according to Lloyd N. Chatterton, Superintendent, Radio Division, Cleveland Department of Public Safety.

He addressed the Institute of Radio Engineers, Washington section, this week.

Elimination of roll-call and arrangements for scout car crews to relieve each other at pre-arranged meeting places instead of reporting to their stations makes possible uninterrupted 24-hour patrol in Cleveland, Mr. Chatterton declared.

Gerald C. Gross, Chairman of the local group presided. Among other guests were Donald Manson, of the Canadian Broadcasting Co. and H. Lubke, Don Lee Broadcasting System of Los Angeles.

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BBC DENIES GOVERNMENT WILL TAKE OVER RADIO

The British Broadcasting Co. has branded as "entirely erroneous" The London Daily Mail story of April 22 in which it was reported that on June 7 the British government would take over the BBC network for use as a Government news agency and as a potential, and to some extent actual, propaganda machine.

A letter signed by Felix Greene of New York, BBC's North American representative, quoted the British government's denial of The Daily Mail's story:

"There is no foundation for the report that the Government is contemplating the adoption of any special measures of control over the BBC", the denial said. "I wish to inform you quite definitely that these reports are unfounded", Mr. Greene's letter added.

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TELEVISION SHOWS DRAW THRONGS AT N. Y. FAIR

The public at the New York World's Fair is so interested in television that it occasionally creates a traffic problem in the exhibits of General Electric, Westinghouse and Radio Corporation of America, according to the New York Times.

The magic word "television" piles up crowds so heavily that demonstrations scheduled by the half-hour are giving way to continuous performances all day. Special policemen have been hired by the television companies to keep the visitors politely moving.

At the General Electric, in an effort to conserve the energy of the demonstrators, signs were first put up saying there would be no demonstrations until 1 P.M. each day. The visitors would not be put off, however; they sat in the lobby until it was necessary to send a hurry-call for the demonstrators, to get an early start.

The television companies survey this public insistence, not in resentment, but in pleased surprise. The question whether the public was ready for television is rapidly being answered. The visitors at General Electric, for instance, want to know immediately what the television receivers cost and where they can buy them. And thereby they are somewhat embarrassing the General Electric. For its machines are being manufactured, but the introductory price is still under discussion.

Meanwhile the visitors have an opportunity to try television on their companions. At one side of the General Electric lobby there is a studio for telecasting - the World of Tomorrow. As the visitors look into the studio through the glass walls, Bill Mulvy, the General Electric interviewer, entices one of a group inside, to be telecast across the lobby into receivers lined up on the other side.

Mr. Mulvy says it's easier to induce men to be televised than women. He says women are inclined to doubt his assurance that under a newly developed mercury vapor lamp that is used, no special makeup is required now for telecasting.

The Westinghouse company conducts a television demonstration in somewhat the same manner. The Radio Corporation of America periodically sends out a roving telecasting car which picks up visitors from the crowd and interviews them wherever they happen to be on the Fair grounds.

The thousands who come to these various demonstrations of television daily, seem remarkably well informed about it. They examine the transparent television receiving set in the lobby of the RCA Building and discuss it with evident knowledge of its vital parts. They seem already familiar with the principle of the new kinescope or picture screen, and the iconoscope or scanning eye, which turns scenes into linear successions of electric pulses,

capable of re-establishing the same scenes at the receiving end.

Evidently the radio public served by some 700 broadcasting stations throughout the nation, with an estimated audience of 70,000,000 persons daily, has grown accustomed to ordinary American sound broadcasts, short-wave foreign broadcasts, police and aviation listening; now it is impatient to see what it has grown accustomed to hearing.

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DUKE'S RADIO AUDIENCE FAR BELOW THAT OF 1936

The Duke of Windsor - without the oomph of love in his voice and a throne at stake over a woman he loves - is no longer a serious threat to America's own crooners, if the National Capital can be adjudged a fair sample of the U. S. listeners.

National Broadcasting Company officials said that people are pretty busy from 4 to 4:30 P.M., and opinion otherwise was that love - and love alone - is capable of emptying the Government buildings and attracting the lawyers' girls from their briefs; the shop girls from the counters, the waitresses from their counters, the high school girls from their classes, sending them all to the radio sides.

This time the duke had peace for argument and an inquiring reporter and photographer, of the Washington Post, who went after opinions all the way from the suburbs to the door of the British Embassy, returned with only a water haul and the opinion that the duke, like a movie plot, had better rely on love.

They posted themselves in the swirling hurly-burly of F Street at 5 P.M., asking scores of persons if they had heard the duke.

"What duke?" some of them replied. "I didn't have time", replied others. None said he had heard the broadcast from Verdun.

One of the largest hotels in Washington said it had received no requests from its guests for radio sets in the rooms. Several downtown radio stores said they had not tuned in on the speech. One restaurant proprietor said he was about to tune in, but somebody said that Cleveland was on a scoring rampage so he got that instead.

No listeners along the streets, nothing like December 12, 1936, when the big buildings, stores, meat markets and beauty shops unloaded to hear. . . "that I have found it impossible to carry the heavy burden of responsibility and to discharge my duties as King as I would wish to do without the support of the woman I love . . ."

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TRADE NOTES

Vinton K. Ulrich, formerly managing editor of Radio Today, has been named Sales and Advertising Manager of Hytronic Laboratories, division of the Hytron Corporation, Salem, Mass.

Edward Samuel Rogers, Vice-President of the Standard Radio Company and the Rogers Radio Tubes, Ltd., died in Toronto last week at the age of 38.

Mr. Rogers became interested in radio broadcasting through the early Toronto station, 3-BF, which grew into the present GFRB, which he headed.

W3XAL, the National Broadcasting Company's short wave station at Bound Brook, N.J., is now transmitting a more powerful signal to Argentina than any other American station operating in the 9500 kilocycle area, according to information just received from Buenos Aires by Frank E. Mason, Vice-President in charge of NBC's International Division.

The NBC Interval Plan, by which advertisers on the NBC networks may suspend their broadcasts for a limited period at any time during the fiscal year, was announced last week by Roy C. Witmer, Vice-President in Charge of Sales. Outstanding feature of the plan is the fact that it does not alter the established current published rates, discounts or rebates.

The plan provides that the rate for each interval week, in the case of large advertisers, will be 28 percent of the weekly gross billings of the facilities used during the last week of regular service before the interval. Although the agency commission will be allowed on the gross billing, the billing will be subject to no other discount.

Maj. Gen. James G. Harbord, retired, Chairman of the Board of RCA, accepted last week Charles Willson Peale's portrait of Lafayette, as an officer in the Continental Army, on behalf of the Robert E. Lee Memorial Foundation. The ceremony took place in Stratford Hall, Va. The Frendh Ambassador, Count Rene de Saint Quentin, made the presentation.

Station WLW, Cincinnati, won a total of six awards in four division of the American Exhibition of Recordings of Educational Programs, featured at the Institute for Education for Radio at Columbus, Ohio, last week.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
RECEIVED
MAY 13 1939

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No. 1124

EDUCATOR ATTACKS PRESENT RADIO LICENSE SYSTEM

Asserting that the present method of granting broadcasting facilities does not guarantee the universal right of free speech, Charles A. Robinson, S.J., a member of the National Committee on Education by Radio, demands a reform for the benefit of educational groups in the current issue of "Education by Radio".

The present licensing system, he said, does not guarantee the right of free speech for the reasons:

"(1) it does not provide opportunity for the general public to broadcast its views, since it reserves no radio frequencies for that purpose; (2) in granting licenses to private agencies, it reserves no time for the public use; (3) it forces the licensees to be censors of speech, without conferring upon them the necessary authority to do so.

"The Federal Communications Commission has spoken frequently of the wonders of the 'American system of free competition in the field of radio.' But this 'Free Competition' is a myth, because: (1) many who would wish to compete cannot obtain licenses; (2) they who receive licenses do not get them for operation of stations of equal power or even of equal time. The present method is therefore very faulty and should either be discarded or improved. Let us look at the fundamental principles which enter into the proper solution of the question.

"The right to use the air waves belongs to every man, since it is impossible for them to be owned by anyone. But practically, if everyone tried to use them, there would be little effective use. So international agreements are made by which each nation agrees to use certain limited frequencies and leave others for international needs. If a nation fails to observe the agreement, there is no adequate sanction, since there is no world court with power to punish transgressors, so reliance must be placed on the natural law, which requires nations as well as individuals to fulfill legitimate contracts.

"Radio broadcasting is essentially a means of communication. Who transmits what, and for what purpose, are essential to the question of the proper use of this means and must be planned for reasonably by government.

"Government has two main duties: one positive, to work for the temporal welfare of all of its citizens; and one negative, to prevent injury to their physical, mental, and moral integrity. A good government should not restrict the rights of its citizens more than is absolutely necessary, but when the common good requires some restriction of private rights, that restriction should

be made by the government, and by no agency without government authority.

"There is no moment when the government is free from the obligation of protecting the rights of citizens to their physical, mental, and moral integrity. Existing laws and general radio practice provide fairly well for adequate protection of the physical welfare. But more important than physical well-being are mental and moral well-being. These are impaired not only by lies and misinformation, but also by jokes and innuendos about the very things necessary for good citizenship and good government; namely, respect for the authority of God, of rulers, and of parents; the sanctity of the home, and the validity of contracts. Yet the government, through its official agency, the Federal Communications Commission, continues to ignore these infringements of the rights of citizens by its present practice in granting and renewing radio licenses without consideration of, and sometimes in spite of, the contents of radio programs.

"Let us try to be fair. There is some good effected by all radio stations, but it is incidental to increasing the number of listeners for advertising purposes. Listening to radio is not necessarily good for the public unless what is broadcast is of benefit to the listener. The NBC program policies (pages 1 and 2) makes 'in the public interest' mean 'things the public will like'. Likes and dislikes can never be a proper standard for anything relating to the public good. A person may like things that are not good for him, as a diabetic may like sugar, while even a healthy man may like his neighbor's wife. The CBS follows the same practice, as may be seen from the Annual Report to Stockholders, presented by its president, Mr. William S. Paley, April 5, 1938. I don't know why Mr. Paley expects 'public-spirited men and women to help make that program effective' which would seem to be designed for the chief purpose of making money.

"Even the standards of educational stations are faulty. For example: the University of Kentucky excludes topics like evolution and religion; but the State College of Washington, while admitting non-sectarian religion, excludes politics. The University of Wisconsin assumes that only State Agencies have the right to use the air for educational purposes. Others may use the privilege by invitation. The University of Iowa assumes that it is legitimate to use state taxes for entertainment when it divides its time half and half between entertainment and instruction.

"Has any licensee the right of censorship which all of them without exception exercise, at least in the form of prohibition? What then is the use of prating about 'Freedom of the Air' as so many licensees do? I haven't any. My freedom of speech should be restricted when it interferes with the general good. But if I am to be restricted, it must be done by law and not by private individuals or corporations. So let the government act, or fail in both its duties of protecting the rights of citizens and of affording to all citizens equitable opportunities for social betterment by the proper use of radio."

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I. T. & T. READY TO ENTER TELEVISION FIELD

Subsidiaries of the International Telephone & Telegraph Corporation are prepared to manufacture and market television receiving sets when the demand warrants, Sosthenes Behn, President, stated in his 1939 report to stockholders this week.

The extent of damage to the properties of the Corporation by the civil war in Spain has not yet been ascertained, he said, but reports received indicate that a "high percentage" of the 346,000 telephones in service at the beginning of the war still remain in service.

The number of telephones in service at the end of 1938 reached new high levels for all of the companies operating in the countries served by the I. T. & T. system, with the exception of Cuba. The system had a total of 772,597 telephones in operation (exclusive of Spain) at the end of 1938, an increase of 76,140 in the year.

The Shanghai Telephone Company not only recovered the net loss of 10,525 stations sustained in 1937, as a result of hostitilities in and around Shanghai, but gained an additional 7,335 telephones, making a net overall increase of 17,860 instruments in 1938, the report sets forth.

As previously reported, the corporation had a consolidated net income of $7,038,590 in 1938, against $10,236,148 in 1937.

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U. S. RADIO EXPORTS RISE DURING MARCH

Three countries, namely the Union of South Africa, Brazil and the United Kingdom, contributed materially to the upturn in exports of radio receiving set exports from the United States during March, according to the Electrical Division, Department of Commerce.

Of the total trade valued at $875,746, these countries, in the order named, accounted for $122,325, $76,008, and $66,958, statistics show.

The very large increase in foreign sales of non-specified telephone equipment during March was almost entirely due to the sizable purchases made by Australia, the Philippine Islands and Canada. Purchases by those countries amounted to $175,582, $108,144 and $107,231, respectively, the combined amount being 82.5 percent of the total of $473,965.

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LARGE ATTENDANCE EXPECTED AT RMA CONVENTION

Advance reservations for the RMA convention, the "RMA Cabaret" and annual radio industry banquet, and the National Radio Parts Show in Chicago, June 13 to 17, inclusive, indicate the largest gathering of the radio industry in several years, according to Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association. In addition to the fifteenth annual RMA convention, there will be meetings of the Radio Servicemen's Association, the Sales Managers Clubs, the National Association of Radio Parts Distributors, "The Representatives", and many Division and Committee meetings of RMA.

The Radio Parts Trade Show, sponsored jointly by RMA and the Sales Managers Clubs, is expected to "top" all previous records of attendance. More than half of the parts distributors and sales agents attending last year have already filed registrations for the June show and meetings. Many will come on a "radio special" train from New York City.

President A. S. Wells will preside at the RMA convention. Prominent speakers at the RMA membership luncheon on Tuesday, June 13, include Commissioner T.A.M. Craven of the Federal Communications Commission and Chairman of the Commission's Television Committee, and President Neville Miller of the National Association of Broadcasters, which is cooperating with RMA in the national industry promotion campaign. There will be two meetings of thw RMA Board of Directors, June 13 and 14, and many meetings of Association Divisions and Committees.

The National Radio Parts Trade Show will run from Wednesday, June 14, until 10:00 P.M., Saturday night, in the Stevens Hotel Exhibition Hall.

The annual convention of the Radio Servicemen of America, with engineering lectures jointly with the Chicago section of the Institute of Radio Engineers, will be held Friday and Saturday, June 16 and 17. The National Association of Radio Parts Distributors will meet at 2:30 P.M., Tuesday, June 13; "The Representatives", at 10:30 A.M., Friday, June 16, and the Sales Managers Clubs also at 10:30 A.M. Friday, June 16.

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For the systematic collection of data on the drift of ice in the polar basin, a Soviet scientist has suggested the use of a buoy equipped with radio apparatus to indicate its position as it drifts along with the ice. The Soviet Arctic Research Institute is holding a competition for the best design of buoy of this type.

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EDUCATION OFFICE TO PRODUCE NEW PROGRAM

Commissioner of Education John W. Studebaker announced this week that the Office of Education, Department of the Interior, has accepted an invitation extended by the U. S. New York World's Fair Commission to produce in cooperation with the Columbia Broadcasting System a new weekly coast-to-coast radio series interpreting and supplementing the Federal Exhibits at the Fair. Beginning May 14, the series will be on the air every Sunday, 2 to 2:30 P.M., EDST, over CBS and affiliated stations.

The new series, titled "Democracy in Action" will succeed the Office of Education program "Americans All-- Immigrants All", recently named by the Women's National Radio Committee, as the "most original and informative program" of the year.

Announcement of the new series was made also in New York City by United States Commissioner Theodore T. Hayes of the U. S. New York World's Fair Commission and by William S. Paley, President of the Columbia Broadcasting System.

The purpose of the series, according to Commissioner Studebaker, is to promote wider understanding of democratic processes and functions as revealed by the ways in which our American government operates, and to extend the values of the Federal Exhibits at the New York World's Fair.

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PEACE FOUNDATION TO ASK S-W STATION LICENSE

A powerful new short wave radio station to broadcast messages of peace to Europe and other Nations throughout the world will be constructed at Swannonoa, the million-and-a-half dollar estate in the Blue Ridge Mountains of Virginia, recently purchased by Mrs. Louis H. McGuire, if an application to be presented within the next few days to the Federal Communications Commission is granted. Mrs. McGuire, former Asheville, N.C., society matron, is now living in Washington.

The estate, built in 1912 near Waynesboro, Virginia, by the late Major James Dooley, of Richmond, Va., will be retitled the "Swannonoa Peace on Earth Foundation", and will be dedicated through the medium of the short wave radio to sending the Peace Message of Christ to all the world. Mrs. McGuire said that she believes such a foundation can render a particular service at this time in view of the troubled condition of the world, when nations are turning to arms and away from Christ, and when war-minded nations are sending their doctrine of hate throughout the world by short wave radio.

The Foundation will be non-political, non-sectarian, non-racial, and non-commercial, Mrs. McGuire said. The movement, she added, will have the backing of outstanding religious and social leaders throughout the nation.

Over the Swannonoa station, please for peace will be sounded regularly to all peoples. In these appeals, Christianity and Democratic ideals will be blended closely. "'The Star Spangled Banner' and the Sermon on the Mount will go hand-in-hand", she said.

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CHAVEZ MAKES PLEA FOR PAN AMERICAN STATION

Making a plea for greater unity between the United States and Latin American countries, Senator Chavez (D.), of New Mexico, Thursday night over an NBC network spoke in support of his bill to erect a Pan American short-wave station in Washington.

He said that Germany has 11 - 100,000 watt short-wave stations at Zeesen, and that it "practically dominates radio reception in South America".

"Contrast this with our broadcasting station at Boston (W1XAL - a privately-owned station), which supposedly handles our official propaganda", he said. "The Boston station is only one-fifth as strong as one of these German stations."

Continuing, he said:

"Granted that it is necessary to cultivate relations with Latin America, what can we do?

"In the first place, we should recognize that radio is the greatest force existing today by which people of different nations can be brought close together. We need a powerful government short-wave broadcasting station. Outside of the General Electric Station and the World Wide Radio Station at Boston, and the efforts of the National Broadcasting Company through the intelligent and expert guidance of its vice-president, Mr. Frank Mason, who has devoted considerable study to the Latin American field, little or nothing is being done. These stations are woefully ineffective. Travelers tell us that nowhere in South America are they able to get reception and that in Central America it is inadequate and only partially successful.

"There is no reason why this government cannot operate a radio station exclusively devoted to promoting cultural ties with the Western Hemisphere. Through such a radio station we can acquaint our Latin neighbors with the sincerity of our Good Neighbor Policy."

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ELLIOTT ROOSEVELT URGES RADIO SELF-CENSORSHIP

Elliott Roosevelt, son of the President, and president of the Texas State Network, Inc., believes in strict self-censorship of radio. Speaking before the New York Rotary Club Thursday, he said broadcasting and the press are the most important mediums for maintaining our democratic form of government.

"There has been a lot of talk about censorship of radio", Mr. Roosevelt said. "But, whenever the government takes a hand in censorship under any administration, then you can expect to see the death of our democratic form of government. On that day the radio will be used as a medium of propaganda; it will then become the same weapon it is in such totalitarian States as Germany and Italy and we will have the same kind of government that they do. We cannot help to succeed in the rendition of this service to the people of the United States unless we impose self-censorship. If we overstep the bounds of fairness to both or all sides of a question, we will find ourselves playing a part in helping to break down our government and, as soon as it steps in with censorship of radio, newspapers can expect the same thing."

Mr. Roosevelt warned his audience that television was still in the experimental stage and had not reached perfection in spite of statements by "prominent persons that it is here".

"Television is a long, long way off from being an accomplished and new industry that can stand on its own feet", he said. "They have never been able to find out where the income is coming from to support television, so there is no need to throw away your radios and buy television sets yet, although the unions are fighting about how they are going to unionize it."

He urged an amendment to the 1927 radio laws by which radio stations operate under a six-months license from the Federal Communications Commission. He said leaders in the industry were supporting a movement to operate under a permanent certificate of "convenience and necessity" which would be revocable at any time it was shown that stations were not operating in the public interest. He added that he believed the industry should be supported by a special tax on radio broadcasting stations so long as the tax was "not made destructive".

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The only broadcasting station in Danzig is the "Landessender Danzig", which has power of 500 watts, 1303 kilocycles frequency, has no call letters and is owned by the Government of Danzig.

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BRITISH IMPORTS OF U. S. RADIO TUBES DECLINE

The volume of American radio tubes or valves imported into the United Kingdom during 1938 showed a decided decline as compared with the previous year, according to the U. S. Commercial Attache at London. The total imports of radio tubes or valves during 1938 amounted to 1,217,611 units as compared with 2,341,039 units during 1937. During recent years - 1936 and 1937 - imports of radio tubes or valves from the United States accounted for approximately 83 and 70 percent, respectively, of the total imports.

"It is also believed that imports from the Netherlands will show a decline since the leading Dutch radio manufacturer has extended its local manufacturing activities and has also become a member of the local radio 'Patent Pool', the report stated.

"Importers of American tubes attribute this decline to the fact that local manufacturers are now making the American type tube or valve. While it is generally admitted that the American tube is better than the British-made tube, the prices of the latter are lower than the landed prices of tubes imported from the United States. Competition is therefore difficult and importers report there are no signs at present of the American tube regaining its former position."

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FAIRNESS OF RADIO LAUDED BY F.D.R. IN FIRST DISK

Inaugurating a series of recorded interviews for broadcasting over approximately 150 radio stations scattered throughout the United States, President Roosevelt paid tribute to the accurate reporting of news by radio.

"In some communities it is the unhappy fact that only through the radio is it possible to overtake proclaimed untruths or greatly exaggerated half-truths", he said.

Interviewed by Lowell Mellett, Executive Director of the National Emergency Council, Mr. Roosevelt continued:

"While, to be sure, the people have learned to discriminate pretty well between sober facts and exciting fiction, they have a right to expect their Government to keep them supplied with the sober facts in every possible way."

Mr. Mellett explained that Secretary Hull would make the first of a series of reports by Cabinet officers next week when he will discuss the work of the State Department.

Mr. Roosevelt said he could best express the reason for the broadcasts by quoting from Washington's farewell address:

""Promote then as an object of primary importance, institutions for the general diffusion of knowledge . . . in proportion as the structure of a Government gives force to public opinion, it is essential that public opinion be enlightened.'"

The two most important institutions for the diffusion of knowledge prior to the advent of radio, Mr. Roosevelt declared, were the press and the schools.

"Aside from some financial assistance, in the form of less-than-cost postal rates", the President continued, "the Government has supported the press chiefly by protecting its freedom. Whether or not we have the best schools in the world - and many of us think we have - it can hardly be disputed that we have the freest press. Government restrictions on the press amount to little more than laws to prevent the printing of obscene matter and articles calculated to incite rebellion. The press is as free as it cares to be or as its economic condition permits it to be."

Although radio is still in its infancy, he said, it "already rivals in importance" the schools and the press.

"The Government, as the people's agent, has had and has now a still different relation to radio from that toward the schools and the press. It has encouraged and aided its development on the one hand, and, on the other it has set up such controls of its operations as are necessary to prevent complete confusion on the air. In all other respects the radio is as free as the press."

There is a limit, Mr. Roosevelt added, to the amount of information the newspapers can print.

"Newspapers are business institutions, living on advertising revenue, and they are apt to be as large or as small as their advertising volume requires or permits", he said. "This is true, and must be recognized, regardless of how seriously or how lightly an individual publisher may take his responsibility to keep the public fairly informed."

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RADIO NEWS REPORTERS FORM ASSOCIATION

Radio newsgatherers and commentators have organized the Radio Correspondents' Association. Fulton Lewis, Jr., commentator for the Mutual Broadcasting System, was elected President, and Albert L. Warner, commentator for Columbia Broadcasting System and former Washington correspondent of the New York Herald Tribune, was named Vice-President.

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CROSS-EXAMINATION OF SARNOFF IS POSTPONED

The final hearing of the chain-monopoly hearing of the Federal Communications Commission, in which David Sarnoff, President of the Radio Corporation of America, will be cross-examined, was postponed this week until May 17th.

At that time Mr. Sarnoff and Mr. Levine, Manager of the NBC Concert Division, will be on the stand. Mr. Levine will appear in the place of George Engels, NBC Vice-President and Managing Director of the Concert Division, who has been ill for several months.

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THEATRICAL TELEVISION EXPERIMENTAL, SAYS BBC

The British General Post Office Television Advisory Committee held a meeting recently regarding the Television-Cinema controversy, the U. S. Commercial Attache reports. As a result, the British Broadcasting Corporation issued the following statement:

Much misleading publicity has followed the theatrical reproduction of the BBC television transmission of the Boon-Danahar contest on February 23rd. The BBC therefore wishes to make its own position clear.

"Large screen projection of television programs is still regarded as experimental, and permission to use BBC transmissions in this will be subject to certain necessary restrictions. Experience of the results will afford guidance as to future policy, which is still under consideration by the Television Advisory Committee.

"The BBC, although primarily concerned with the provision of a home service, does not oppose experiments in large screen rediffusion of its programs before paying audiences, when the programs concerned are either of events of national importance and interest, independent of commercial promotion; or when the subject is a sports event, the rights in which are held by a promoter.

"For the present therefore the BBC will raise no objection to rediffusion of events in the latter category if agreement as to terms is reached between the rediffuser and the promoter, subject to certain conditions. The conditions include an undertaking that no exclusive rights shall be given to any one group or system, and that all applicants shall be granted rights on equal terms, based approximately on the relative seating capacity of the theaters concerned. Should the promoter object, the BBC will act accordingly and withhold permission to reproduce.

"As in the past, no objection will be raised by the BBC to the use of its television transmission for genuine trade demonstrations providing no charges are made."

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TRADE NOTES

Many Washingtonians turned out for a ceremony that marked the breaking of ground at Wheaton, Md., Thursday, for the new 50,000-watt transmitter of Station WJSV, CBS outlet, of Washington. A novel effect was an electric eye which raised a flag every time a pedestrian passed through its beam.

American Society of Composers, Authors and Publishers has assumed the right to license the catalog of its members for television performances, according to Variety. Formal notification of this step was conveyed to ASCAP's publisher membership in a letter signatured by John G. Paine, General Manager. Mr. Paine has also advised NBC that his organization was interested in working out a formal agreement on television as quickly as possible and that hereafter all application to televise the musical works of ASCAP members would have to be taken up direct with the Society.

"Radio Center", impressive new $100,000 structure, will be dedicated Saturday, May 13th, by WOKO, Columbia's Albany station since 1932. Columbia will salute the newest advance of WOKO in a half-hour program Saturday evening, 11:30 to 12 midnight, featuring the music of Jan Garber and his orchestra. The station's own dedicatory ceremonies will be held from 9 to 10 that evening.

Sterling Fisher, CBS Director of Education and Radio Talks, has been named a life member of the American Museum of Natural History, New York City, by its Board of Trustees. The action was taken at the Board's Spring meeting and unanimously adopted by the membership.

Richard C. Patterson, Jr., former executive head of the National Broadcasting Company, is planning to resign as aide to Secretary of Commerce Hopkins and to return to private business this Summer, it was disclosed this week. He is understood to be negotiating for the post of Chairman of the Board of a public utility company or a motion picture concern. The Radio-Keith-Orpheum Corporation, going through reorganization, is prominently mentioned as the firm Mr. Patterson will join. the R-K-O has no Chairman at present.

Directors of the Farnsworth Television and Radio Corporation this week elected J. P. Rogers as Vice-President and Treasurer of the company, according to an announcement by E. A. Nicholas, President. Mr. Rogers has held former executive positions as Treasurer of the Associated Simmons Hardward Co., Secretary and Treasurer of the United States Radio & Television Co. and most recently Vice-President of the Crosley Corporation.

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No. 1125

May 16, 1939

FCC REPORT ON TELEVISION EXPECTED SHORTLY

With conferences concluded, the Television Committee of the Federal Communications Commission this week started work on its report to the full Commission. Commdr T.A.M. Craven, Chairman, said it will be completed before the end of this month.

Commdr. Eugene McDonald, Jr., President of the Zenith Radio Corporation, was the last radio manufacturer to be consulted by the Committee, which includes Commissioners Norman S. Case and Thad H. Brown.

Previously, the Committee conferred with Powel Crosley, Jr., President of the Crosley Corporation, and representatives of the Majestic Radio & Television Corporation and the Wald Radio & Television Laboratories, Inc. It also had made a trip to the principal television plants in the East.

Because of the growing public interest in television since its formal debut at the opening of the New York World's Fair, the recommendations of the Committee will be awaited with keen interest by the radio industry, which now is sponsoring the television broadcasts without commercial return.

Although the recommendations of the Radio Manufacturers' Association for standardization of television transmission and reception at 441 lines are before the FCC, it is not believed the Committee will propose any fixed standards at this time.

All indications are that the FCC will proceed cautiously in the immediate future, as it has in the past, in the treatment of television problems. Action probably will be taken on individual applications as they are presented, with no fixed general policies governing the industry at this stage.

Meanwhile, reports of the sale of television receivers in New York since the April 30 debut have been meager. Rough estimates place the sale at possibly 1,000, according to Broadcasting Magazine, but other estimates are well below this figure.

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BAN ON RADIO ADS OF BEER PROPOSED IN HOUSE BILL

Sponsored by the Federal Alcohol Administration, an amendment to the organic FAA Act has been proposed by Chairman Doughton, of the House Ways and Means Committee which would have the effect of barring all beer and liquor advertising on the air.

Representative Doughton (D.), of North Carolina, said it was introduced at the request of the FAA and has not been acted upon by the Ways and Means Committee.

If enacted into law, it would forbid holders of basic permits from sponsoring radio programs or having their names mentioned on the air in connection with commercial programs.

There is already pending on the Senate calendar a bill to prohibit radio advertising of liquor or beer.

The Doughton proposal states:

"It shall be unlawful for any person required to secure a basic permit under the provisions of this Act, or for any other person, or for any person for, or in behalf of such persons, to broadcast or cause to be broadcast, directly or indirectly, by means of radio, any advertisement of an alcoholic beverage, nor shall any such person or any person for, or in their behalf, pay for or sponsor, directly or indirectly, any radio program, or be mentioned in any radio advertisement if, either by use of a trade name or otherwise, reference is made to the fact that any such person is engaged in the manufacture, sale, or other distribution of any alcoholic beverage."

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FCC FUNDS RUNNING SHORT, ECONOMIES FORECAST

Employees of the Federal Communications Commission are expecting to see the axe of economy start working shortly unless Congress takes cognizance of the increasingly serious financial plight of the Commission.

Only about $25,000 is left to operate the Commission the remainder of the fiscal year, which ends June 30, it was said, and no money has yet been appropriated for the next year due to the uncertainty of the FCC reorganization.

More than $2,000,000 with provisions for expansions, was asked for the next fiscal year, but the House Appropriations Committee declined to approve it because of the proposed shakeup.

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NAB INVITES MOVIE, PRESS CHIEF TO CONVENTION

Broadening its field of discussion, the National Association of Broadcasters, through Neville Miller, its President, has invited Will Hays, movie czar, and James G. Stahlman, retiring President of the American Newspaper Publishers' Association, to address the NAB convention in Atlantic City July 10-13.

A nationwide broadcast, in which Messrs. Hays, Stahlman and Miller would participate, is tentatively planned for the evening of July 12 during the annual banquet. Thus, the heads of the press, movies and radio, for the first time from the same rostrum, would address the nation on public service.

Preliminary convention plans contemplate formal opening of the general sessions Tuesday, July 11, with the entire day devoted to copyright. At that time President Miller and his Copyright Committee will report on negotiations with ASCAP and individual industry groups regarding the most desirable type of performing rights contract, to succeed existing contracts which expire December 31, 1940. Several alternative proporisions probably will be advanced.

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FCC "PARTY" INVESTIGATED BY WHITE HOUSE, DEWEY

Rumors circulating around the Federal Communications Commission are that the recent "party" in a New York night club of several members of the Federal Communications Commission Committee studying television is under investigation by the White House and Thomas Dewey, U.S. Attorney for New York and Republican presidential aspirant.

Just what is the purpose of the investigation is unknown, although political repercussions would not be surprising.

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Luxembourg has only one radio station but it is one of the most powerful and modern in the world, broadcasting at 200,000 watts on a frequency of 232 kilocycles and a wave length of 1293 meters. "Radio Luxembourg" is the name of the station, which has no official call letters. The station is in constant operation from 7:00 A.M. until 1:00 A M.

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"HOUSE OF FUTURE" SPONSORED BY NBC

In keeping with the trend of exhibits of the World of Tomorrow, the National Broadcasting Company's Washington stations, WRC and WMAL, are sponsoring the construction of a "House of the Future".

It is believed this is the first time that a radio station has sponsored the construction of a house which will exemplify the type of dwelling people will own five years hence.

L. E. Breuninger and Sons of Washington are the builders. The site chosen for construction is at Massachusetts Avenue and Jamestown Road, one block beyond the District line in Maryland, and only a short distance from the Capital's Embassy row.

Ground breaking ceremonies were held by the NBC's two Washington stations during the first week of May. General Manager K. H. Berkeley officiated, pulling the levers of the steam shovel to remove the first scoop of dirt for the foundation. Now the foundation has been completed and construction on the frame has begun. The house is expected to be finished and open to the public by August 1st. An estimated 200,000 people will view it.

Tremendous interest has been evidenced by national manufacturing companies. Officials of several out of town firms have flown to Washington to bid on heating, lighting, cooking and refrigeration.

Some of the outstanding innovations of the six room house are: Fluorescent tubular lighting receded in the walls; flexible composition floors, and extensive use of plate glass and glass brick for light and trim. Two things usually associated with home construction, will be missing from the "House of the Future". No wood will be used in the structure, and no space designated as a dining room. Concrete, stainless steel, aluminum and the glass brick will take the place of wood. The living room is so large that it can be used for dining. The exterior of the modern building will be painted brick.

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PATENT GRANTED FOR TWO-WAY TELEVISION

A combined television transmitter and receiver which utilizes only one cathode ray tube and which permits simultaneous two-way television communication between two stations has been developed, according to a patent (No. 2,157,594) granted to Allen B. DuMont, noted television researcher, of Upper Montclair, N.J.

The heart of the system is the cathode ray tube, which acts both as a "tele-eye" to pick up scenes for broadcasting and as a viewer or receiving device to make visible on a fluorescent screen the television images being broadcast from a distant

station. Since both functions are combined in a single tube the system is much more simple and cheaper than prior methods in which separate pick-up and viewing tubes are required at each station, it is said.

The new tube has two screens. One is photo-electric. On this the image to be broadcast is focused and converted into electric impulses that correspond to the lights and shadows of the image. The second screen is fluorescent and makes visible as an image which can be viewed the television impulses received. Both screens are scanned by a single cathode ray, a pencil beam of electrons. When the tube serves as a pick-up tube for television broadcasting, the pencil beam of electrons scans only the photo-electric screen. When the tube is used as a receiver, only the fluorescent screen is scanned.

The patent is assigned to Allen B DuMont Laboratories, Inc., of Passaic, N. J.

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NBC APPEALS LIBEL RULING IN JOLSON CASE

The National Broadcasting Company has filed an appeal to the Pennsylvania State Supreme Court from the $15,000 award to the Summit Hotel Company in the so-called Jolson case.

The verdict, returned last Fall by the Common Please Court of Allegheny County, was for damages the hotel claimed it sustained as a result of an ad libbed remark made by Al Jolson during a Shell Chateau broadcast on June 15, 1935. Mr. Jolson was interviewing Sam Parks, then national open golf champion, and when Mr. Parks mentioned the Summer Hotel, Mr. Jolson came back with "That's a rotten hotel", a remark not in the script.

"Radio", says the appeal, "resembles the telephone in that the electrical impulses created by the words spoken into the mouthpiece travel so quickly they cannot be halted before they reach the receiver at the other end of the wire. It would be unthinkable to hold a telephone company liable for the transmission of a defamatroy message." If a station is liable for every defamatory utterance reaching the microphone, NBC adds, then the operator of a receiving set, which changes the electrical impulses into sound and so is "as essential to the dissemination of the broadcast words" as the transmitting station, is equally liable.

"We submit, therefore, that to impose on a radio broadcasting station absolute liability as an insurer for all defamation broadcast over its facilities would be unwise and thoroughly undesirable from social and economic standpoints. It would serve principally to open a new and lucrative field for damage suits, and can have but one effect in the long run and that is to impair seriously the usefulness of radio as a means of communication, and to limit severely the scope of radio addresses and presentations of various types which are now brought to the listening public."

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FRANCE SHOWS PROGRESS IN TELEVISION

"In view of the rather rapid strides which are being made with the development of television in both the United Kingdom and the United States, it is interesting to note that the French authorities are continuing and expanding basic experimental work along this line, the U. S. Commercial Attache at Paris reports. "The Eiffel Tower Television Broadcasting Station is now, as it has in the past,carrying out regular experimental broadcasts. Its power has now been increased to 25 kilowatts, the number of daily broadcasts has been increased from 2 to 4, and the service operates for 5 days per week. It is understood that these tests have, among other things, convinced the technical authorities that the antenna which has been in use is both inadequate and unsuitable, and it is reported that a new multiple antenna has been ordered and is now in the course of delivery. From what can be determined, this new antenna will be very similar to the one now used by the British Broadcasting Corporation at the Alexandra Palace in London.

"The television committee which was established by a Government decree on June 9, 1937, is busily engaged in examining and experimenting with equipment which has been offered for trial by the 4 companies named below. These studies have embraced what is known as direct television as well as telecinema, the survey of the former having been completed in May of 1938 and that for telecinema in August of last year: Cie. Francaise Thomson-Houston; Cie. Francaise de Television; Societe Radio-Industrie; Societe d'Applications Telephoniques.

"It is understood that as a consequence of the preliminary results of the tests made, the television committee has, at least temporarily, approved of the equipment manufactured by the Compagnie Francaise Thomson-Houseon, for the purpose of direct television broadcasts, and of that supplied by the Society Radio-Industrielle for telecinema broadcasts. A contract has already been signed with the Compagnie Francaise Thomson-Houseon, one is to be concluded with the Society Radio-Industrielle, and, apparently, another purchase is to be made from the Compagnie Francaise de Television.

"In an effort to familiarize the public with television, the Radio Broadcasting Division of the Ministry of P.T.T., has recently acquired two large receiving units, one from the Compagnie Francaise Thomson-Houston, and the other from the Societe Philips. The screen of the Thomson-Houston, and the other from the Societe Philips. The screen of the Thomson-Houston machine is 60 x 40 centimeters (23.6 by 15.7 inches) and that of the Philips machine 45 x 37 centimeters (17.7 x 14.6 inches). It is also reported that the authorities will endeavor to acquire, within the limits set by budget credits, 3 broadcasting units which will permit the projection at will of either television or telecinema. These machines will be established at Paris, Lille and Lyon. The equipment intended for use in Paris has already been acquired, and it is apparently planned to install it in a truck. At the same time, purchase of stationary direct telecinematographic equipment is planned in order to provide for permanent broadcasts from the Ministry of P.T.T. on the rue de Grenelle."

It is also reported that several projects are under consideration which presume the laying of a cable network throughout the Paris region, which will permit television broadcasts to be made from the various sections of the city."

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TRADE NOTES

Effective May 16, the Federal Communications Commission returns to its regular schedule of Tuesday meetings on broadcast cases from which it deviated last November coincident with the opening of the Network-Monopoly inquiry. The established broadcast decision day is Tuesday of each week. Under the temporary schedule, meetings had been held on Mondays.

Among the salaries of corporation officials for 1938 released this week by the Securities and Exchange Commission were: Crosley Corporation: Powel Crosley, Jr., President, $24,000; Lewis M. Crosley, Vice-President, $20,000; James D. Shouse, Vice-President, $19,000.

Addition of French, German and Italian news broadcasts to the schedule of Station W2XE's foreign programs marked the opening Monday, May 15, of a new short wave service to reach Columbia's foreign listeners every day of the week except Sunday. These foreign language broadcasts to Europe augment the regular daily service of news in Spanish and Portuguese sent once a day to the Latin American republics and are in addition to the regular news service in English broadcast several times a day to both Europe and South America.

A nationwide search for deserving young musicians, sponsored by radio station WLW and the Cincinnati College of Music, with 12 scholarships to the winners, was revealed last week in an announcement made jointly by James D. Shouse, Vice-President of the Crosley Corporation in charge of broadcasting, and J. Herman Thuman of the College of Music. According to the provisions of the contest, any person who has been graduated from the music department of a high school or who has had an equivalent musical education will be eligible for competition for the scholarships.

General expansion of service to clients, agencies and stations is announced by Radio Sales in the transfer of Jerome Sill to the newly crested post of Director of Radio Sales Promotion, effective May 15. In his new capacity, Mr. Sill will work with other members of Radio Sales, and with managers of the ten Columbia stations represented by this division, in the organization of specific radio data to meet individual clients' marketing and advertising problems.

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EUROPE RADIO HOMES NUMBER 35,130,000

Thirty-five million one hundred and thirty thousand homes were registered in the European zone as possessing radio receivers on New Year's Eve. The growth in the number of receiving sets during 1938 was 3,685,026 against 3,730,037 in 1937. Germany added 2,415,565 homes (26.58 percent) to her total of 9,087,454 at the end of 1937; Great Britain 428,866 to her 1937 total of 8,479,500 (an increase of 5.06 percent); and France 542,167 to her 1937 total of 4,163,692 (an increase of 13.02 percent). The greatest increase in wireless licenses in 1938 was recorded by the Turkish Republic. This was one of 110.20 percent, the actual rise being from 22,000 to 46,244.

These are the outstanding facts shown by the annual chart published recently by the Headquarters of the International Broadcasting Union at Geneva.

"No explanation is given by the International Broadcasting Office of the slowing up in the growth of the Rueopean auditoire in 1938, but it may safely be attributed to two main causes - the approach to 'saturation point' in those countries where broadcasting has been firmly established for a number of years, and the economic reaction to the political events of last Augumn", World Radio comments.

"The remarkable rise in the number of German listeners is due in part to the taking over of the listeners in Austria and the Sudeten area of the Czecho-Slovak Republic. But even when this is allowed for there remains a formidable increase, due in part to the national policy which expects each good citizen to possess a receiving set, and in part to the continued popularity of the standard low-price receiver. The fact, however, that Germany has 708,653 homes which are exempt from the payment of license fees (as compared with 51,872 in Great Britain) cannot be overlooked.

"Great Britain pursued her traditionally even curve through out the seasons, but her percentage increase on the year dropped from 7.13 to 5.06. Those who would attribute this decline entirely to the approach to 'saturation point' must not overlook the fact that in Denmark, which has still the largest proportion of licenses to total population in any country in the world, the increase of licenses in 1938 was 8.33 percent, against 7.94 percent, in the previous year. France, also, which has a total number of receiving sets far removed from 'saturation point' managed to increase her wireless licenses by 13.02 percent, only in 1938, against 29.35 percent in 1937.

"If we put aside the special case of the Turkish Republic - where, under the influence of the new high-power station at Ankara the number of listeners was more than doubled in 1938 - we shall find that the average percentage increase in the European zone last year was just under 17."

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S-W BROADCASTERS USE NEW GEOGRAPHY, SAYS "LIFE"

A new kind of geography that is based on the shortest distance between two points as travelled by short-waves is described with illustrations in the May 15th issue of Life magazine.

"The shortest route from New York to Manila is not across Mexico and the Pacific", the article says. "It lies across Alaska and Siberia. If you do not believe this, take a string and measure out the distance on a globe. Or look at the map below. It is an azimuthal map, made by taking New York as the center of the world, plotting the rest of the world in terms of the shortest distance from New York.

"This is the kind of map short-wave radio broadcasters use. Short-waves are sent along a focused beam. The narrower the beam, the more power along its length. The azimuthal maps, prepared by Harold Churchill, show problems U.S. and German broadcasters meet.

"The battle among nations to barrage foreign lands with short-wave radio propaganda is waged with growing fierceness. To America's radio artillery, two new big guns have just been added.

"Near Oakland, Calif., the General Electric Co. has opened a station whose short-waves are searching out the sets of the Orient with American programs. In Bound Brook, N. J., the National Broadcasting Co. is finishing a station which delivers to South America the strongest signals ever sent from the U.S."

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NBC PLANS FIRST TELEVISED BASEBALL

History's first televised baseball game will be broadcast Wednesday, May 17, from Baker Field, New York City, the National Broadcasting Company. The televised game, an intercollegiate contest between Columbia and Princeton Universities, will begin over Station W2XBS, at 4:00 P.M., EDST.

In marking another milestone in the annals of American sports, the NBC mobile television station will televise the game on the spot at the Baker Field diamond. Broadway at 218th Street. Fast fielding plays will be converted to electrical impulses and relayed over a radio link to the main NBC transmitter at the Empire State tower for broadcast to home viewers in New York, Connecticut and New Jersey within the firty-mile service area of Station W2XBS.

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G.E. MERGES RADIO-TELEVISION ACTIVITIES

A new department of the General Electric Company, which will consolidate for the first time all radio, television, and related activities, has been established with headquarters at Bridgeport, Conn., effective immediately, it has been announced by C. E. Wilson, Executive Vice President of the company. Dr. W.R.G. Baker, for many years associated with G-E activities in the radio field and until now Chairman of the Radio Management Committee, has been named manager of the new unit, to be known as the Radio and Television Department.

"With the development of television, the scope of the potention market for radio and television tubes and for equipment used in their application is greatly enlarged", Mr. Wilson declared in announcing the new move. "Coincidentally there arises interrelated development, production, and commercial problems which suggest that centralization of responsibility for the company's activities associated with these products will be the most effective means of coping with them. The new Radio and Television Department will have responsibility for radio and television tubes, receivers, transmitting and relaying equipment, carrier-current equipment, and other associated radio product lines."

For the marketing of most of its products, the department will rely for the present on the distribution facilities of the Appliance and Merchandise Department, which has in the past been responsible for radio receivers. The formation of the new unit presages even greater emphasis than in the past on such related activities as experimental transmission of short-wave radio and television. General Electric has now nearing completion in the Schenectady-Troy-Albany area the most powerful television transmitter to be built in this country, and for many years it has operated a number of powerful short-wave stations as part of its developmental program. The company has also been a factor in the building of radio transmitters for Government use and for such service applications as two-way transmission for fire and police service. New York City's fireboats are linked by this kind of installation.

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No. 1126

FCC STAND ON SUPER-POWER HIT BY CONGRESSMAN

The refusal of the Federal Communications Commission to sanction a change in its rules to permit super-power broadcasting and its action in stopping the super-power operations of WLW, Cincinnati, brought a scathing rebuke from Representative Martin L. Sweeney (D.), of Ohio, this week in the House.

Charging that the influence of the networks was responsible for the Commission's stand, Mr. Sweeney concluded:

"Rural America today stands condemned to the tongueless silence of the dreamless dust."

That his views on super-power are at variance with the majority of the members of the U. S. Senate is apparent as the Senate last year adopted a resolution stating its opposition to any change in the FCC rules to permit broadcasting at power in excess of 50 kw.

Citing the report of the three-man FCC committee proposing new rules governing broadcasting, Mr. Sweeney said:

"From the report of the committee no subject considered in the June hearing was more controversial than this so-called super-power proposal supported by the progressive and enterprising clear channel group of stations. The report goes on to say that the use of power in excess of 50 kilowatts has certain distinct advantages, especially in the form of increased rural service. Notwithstanding this pointed economic argument, the committee finally comes to the conclusion, in its solitary effort to protect the networks and other radio monopolies, to toss super-power out the window and decides to remain in status quo so far as any advance in radio science is concerned.

"What is this thing called super-power? Stripped of all its confusing ramifications the basic question confronting the radio industry and the Federal Communications Commission is: Shall the rural listeners be denied good radio reception under all conditions?

"Further, shall the rural or small-town listener be entitled to any semblance of parity with his urban brother in the matter of radio reception and choice of programs? Boiled down to its last analysis, that remains the only question of super-power. The fact remains uncontroverted that a super-power station does nothing more than furnish radio parity to rural listeners, a parity not now available. It does not interfere with existing facilities operated with less power, nor does it 'squeeze out' smaller licensees. Yet the FCC says 'no' to any advance that would insure

program equality. The Commission grants that the only reason why clear-channel stations were created was because only clear-channel stations could give secondary service; that is to say, service to remote rural areas. The 42 clear-channel stations operating in the United States today do not share frequencies with local and other regional stations. They are therefore in a position to offer reception and program excellence to some people who reside outside the metropolitan areas, but cannot reach the great listening public, which depends upon super-power stations for any reception whatsoever. The amount of power used by any clear-channel station does not interfere in any way with reception of regional or local stations, and by experiment it was found that despite the single license issued for a super-power station the number of radio stations in the United States has increased from 625 to 769 as of April 1, 1939. Does this look like super-power creates a radio monopoly?

"While the city listener has 18 percent more stations and, consequently, 18 percent more programs from which to choose out of the signals delivered to him, rural America, with 54,000,000 people, which never had good radio service and which must depend upon long-traveling radio waves from clear-channel stations, is given no consideration whatsoever by the Federal Communications Commission. In denying all clear-channel stations the right to increase their power output above 50 kilowatts, while urban America with 18 percent more stations in the last couple of years has enjoyed excellent radio reception, rural America has lost 30 percent of its clear-channel stations. And now by the policy to be adopted by the Federal Communications Commission the rural listener will be denied good reception and good programs because the Commission refuses to deal with super-power. Rural America has been side-tracked from the trunk line of broadcasting progress and finds itself, despite the effort of its national leaders, headed into an oblivion which cannot even be penetrated by the power X-ray of modern radio. How long the farmers and the small-town residents of the United States must remain in this purgatory depends upon the continued and unconscionable refusal of the FCC to deal intelligently with high power.

"In its anxiety to protect the networks the Federal Communications Commission has conveniently overlooked the fact that the National Broadcasting Co. operates seven or more 50-kilowatt stations, and the Columbia Broadcasting Co. operates six or more of the same type stations in the United States. The networks have agreed that super-power would be a serious competitor with chain broadcasting, in that one station with a power output of 500 kilowatts would reach a greater share of the rural listening public, with its stronger signals, than that furnished by the chain which makes no attempt to reach the outlying farm communities at the present time. The question then is, Shall rural America in the West and the South be denied the same program excellence and the same good reception as is furnished in the metropolitan districts of the North and East by the chains and regional outlets?

"The committee devotes 20 pages of its report to the subject of super-power, and if this report is carefully analyzed it is the best argument yet brought forward in support of high power. It was pointed out in this report that serious doubts as to the ability of clear-channel stations to operate at 500 kilowatts with

financial success in cities of substantial size were not voiced at the hearing . . . . . .

"For the past several years and until an unprecedented, arbitrary, and capricious action by the Communications Commission denied it a renewal of its broadcast license, one station located in the great State of Ohio has operated on super-power; that is to say, on 500 kilowatts. It has been demonstrated throughout by the operation of this station and even to the ultimate satisfaction of the Communications Commission, that its operation was not destructive, and in no way squeezed out local stations which are dependent upon local and some network advertising. It has been argued by the clear channel group, which is anxious to use super-power, that local advertising now enjoyed by this group of stations would be lost. That is true, and now what becomes of this local advertising? It goes to the local and regional stations because the larger clear-channel super-power stations, as demonstrated by the only license in existence for super-power, use practically nothing but national and some network advertising which is not available to the purely local or regional stations anyway. By this the Commission admits that if a clear channel station was permitted to increase its power and if local business was lost as argued, the only benefactors of the loss of local advertising by the super-power stations would be other smaller stations located in the same metropolitan area as the super-power station losing such business. . . .

"Every other country in the world has tried super-power, but it remained for the Yankee ingenuity of an Ohio pioneer in the field of radio to make it work. New England, Russia, and Mexico are using it to propagandize the rest of the world. For the past 4 years we had a station operating on 500 kilowatts power in Ohio, and this station did not affect adversely any other licensee in Cincinnati, in the State of Ohio, or in the United States, yet the committee has come to the surprising conclusion, and entirely against the weight of evidence, that super-power is not yet here. It has been 'here' in Ohio for 4 long years or more.

"In its absolute and unbounded desire to protect the national and regional networks, the committee points out that if there were twenty-five 500-kilowatt stations throughout the United States there might be a natural trend toward the exclusive use of these super-power stations by the largest national advertisers at a subsequent loss in profit to the networks. What stakes have the networks in radio? No investment in transmission and technical equipment other than scattered studios and talent under exclusive contract available for programming. Yet the interest of this group controls.

"It boils down to the fact that the networks have brought such a tremendous amount of pressure to bear upon the Commission against the use of super-power that the Commission has been blinded to the need of this type of transmission, and has decided, as I said, against the weight of evidence, to protect the monopoly now enjoyed by the National and Columbia Broadcasting Systems, condemning the rural listener to a fate on a par with the peasants of communistic Russia.

"By the words of the Commission itself, super-power is only a step away. Irrespective of what pressure can be brought upon the present membership of the Federal Communications Commission, this organization cannot stop the progress of radio by an arbitrary finding that has no support from anyone except the lobbyists who have impressed upon the Commission members themselves the advisability of maintaining a non-competitive field for the networks which admittedly do not serve the South and the West and have made no attempt to service the backbone of these United States, rural America."

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FCC ADOPTS, CAN'T PUBLISH, NEW RULES

The Federal Communications Commission announced this week the adoption of general rules and regulations to supersede all outstanding general substantive rules. Together with the rules of practice and procedure now in force, these substantive rules, which become effective June 15th, constitute a framework upon which all of the specified rules governing the various services are based.

In view of the limited funds available the Commission will mimeograph copies only for distribution within the offices of the Commission. However, copies will be held at the Office of Information for inspection by the public. In the near future, the Commission plans to have printed copies of these substantive rules.

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STATIONS WARNED TO NAME PROGRAM SPONSOR

Radio stations were warned by the Federal Communications Commission this week that they must comply strictly with the provisions of the Communications Act requiring announcement of the sponsor of programs which are paid for in any way, directly or indirectly. The notice followed reports of violation of the rule.

The FCC sent a notice to all licensees of broadcast stations calling their attention to Section 317 of the Communications Act of 1934.

Section 317 reads as follows: "All matter broadcast by any radio station for which service, money, or any other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person."

The Commission's notice warned the licensees that, "The Commission insists upon, and expects, full compliance at all times with the above quoted provision of law."

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SARNOFF OPPOSES ANY CURBS ON NETWORKS

Demoralization of radio broadcasting and destruction of the present high program standards of the American system of broadcasting would follow any prohibition against networks making exclusive contracts for service to local stations, David Sarnoff, President of the Radio Corporation of America, told the Federal Communications Commission's Chain-Monopoly Committee this week.

Mr. Sarnoff also told the Committee that the radio as known today is not that of the near future. He predicted that changes in the art would come much more quickly during the next few years than during the past decade.

The RCA head returned to the witness stand for cross-examination, having opened the inquiry last November with a lengthy statement. Cross-examination was deferred at that time by William J. Dempsey, General Counsel of the Commission.

Practically the whole session was given over by Mr. Dempsey to questioning Mr. Sarnoff on the competitive angles of networks and the exclusive contract practices whereby the chains bind local station affiliates to take only the programs of the particular network with which they are working.

Mr. Sarnoff insisted the present high-quality programs are due entirely to the practices and policies of the networks. Local stations, he said, could not afford to serve the high-type programs provided by the chains.

Mr. Sarnoff said the networks had built up a listener following through their sustaining and commercial chain programs. He added that to permit stations to take any program from any network at any time they saw fit would create a situation which, in his opinion, would destroy the high-quality service which the public has been educated to expect.

He testified that competition between networks is desirable so far as the listener is concerned, and as between the four major networks there is active competition. He said he thought it exists at the present time for both listener interest and the advertising dollar.

Looking ahead only to the next five or ten years, he told the Commission there is no technological reason to assume that broadcasting stations will not outnumber newspapers.

"All the space in the ether is available for new networks", he said, "and I am trying to encourage new ones. There are between 700 and 800 broadcasting stations now, but there is no reason why there should not be 7,000, or 70,000."

Mr. Sarnoff also referred to the early development of television, and of broadcasting printed newspapers. This was to persuade the Commission that inflexible regulations should not

be set up on the basis of existing broadcasting conditions that might be undated tomorrow.

The RCA President argued against a suggestion that networks should be licensed.

"When you license the program-creating agency, in addition to licensing the equipment by assigning wavelengths, you introduce a new idea", he said. "You then regulate entertainment, education, news, and pictures, not the radio frequency. The minute that power is in your hands, it becomes almost unlimited power to license everything from beginning to end. You could license the Radio Corporation of America, and the individual broadcaster before the microphone.

"If the Government writes a code to govern radio programs, it will certainly establish censorship in direct violation of constitutional guarantees of freedom of speech", he said at another place.

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NEW STATION FOR WISCONSIN GRANTED

The Federal Communications Commission this week granted the application of M. & M. Broadcasting Company, Marinette, Wisconsin, for a construction permit to erect a new station to operate on frequency 570 kc., with 250 watts power, daytime only.

At the same time, the Commission denied the application for voluntary assignment of license of Station WAPI to the Voice of Alabama, Inc., holding that the transfer of license from the present licensee of Station WAPI, will not be in the public interest. Station WAPI is owned by the Alabama Polytechnic Institute, University of Alabama, and Alabama College.

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JUDGE SYKES, WHEELER'S SON ENTER RADIO LAW

Judge Eugene O. Sykes, who resigned recently after 12 years' service with the Federal Communications Commission and its predecessor, the Radio Commission, was admitted to practice this week before the bar of the FCC.

Edward K. Wheeler, son of Chairman Wheeler of the Senate Interstate Commerce Committee, also was admitted to practice.

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FCC CALLS ENGINEERING PARLEY ON NEW RULES

An informal engineering conference will be held on the proposed standards of good engineering practice by the Federal Communications Commission on June 5th. At this conference, engineering questions involved in the exceptions filed relative to the proposed rules and suggested changes in the proposed standards as made by a special committee will be discussed.

All interested parties have been invited to attend this conference and requested to advise the Chief Engineer of the Commission not later than May 28th. Any parties who are not able to attend, but desire to offer suggestions, may do so by letter which will be given due consideration in preparing the final draft of the "Standards of Good Engineering Practice."

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DENVER LOCAL DENIED DESPITE FOUR NET STATIONS

Although four of the five radio stations in Denver are affiliated with the national networks, the Federal Communications Commission this week denied the application of F. W. Meyer to establish a new local outlet there.

"While four of the five radiobroadcast stations located in Denver are affiliated with national networks, they nevertheless devote a considerable portion of their time to programs of a local nature", the FCC stated. "The applicant has not sustained the burden placed upon him by showing that the existing stations in the city are not adequately supplying the local needs of the community as to program service, and that the proposed station would fill said need. The fact that there are a number of business firms that desires the use of proposed station for advertising purposes, and that a good many of them cannot afford to pay the rates charged by the existing stations and would buy time over the proposed station at the lower rates proposed, does not in itself justify the granting of the additional facilities sought."

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While bombs crash near them and anti-aircraft guns roar, thousands of English-speaking persons in the Orient are enjoying entertainment direct from the Golden Gate International Exposition on Treasure Island in San Francisco Bay. Such is the dramatic picture drawn through an analysis of an avalanche of mail pouring in from the Orient to General Electric International broadcast station W6XBE, at the Golden Gate International Exposition.

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OPPORTUNITY OF RADIO FOR BOYS CITED BY SARNOFF

The members of the Boys Club of America were advised Thursday night by David Sarnoff, President of the Radio Corporation of America, to learn a specialty as preparation for the time when they will seek jobs. Mr. Sarnoff spoke at the annual dinner at the Hotel Commodore, New York City.

The future of radio as a field for achievement was emphasized by Mr. Sarnoff. "As one who has been a participant in radio since its infancy", he said, "I can tell you that what lies ahead is far greater than what lies behind. The boy of today will find in the radio of tomorrow opportunities for achievement that we who struggled as its pioneers could hardly have dreamed to be possible."

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KDKA TO INSTALL "PICKABACK AERIAL"

A "pickaback" aerial will perch atop the 718-foot vertical broadcasting antennaat KDKA's new transmitting station and will send out noise-free experimental short-wave programs, it was announced at the breaking of ground for the new station in suburban Pittsburgh.

The superimposed aerial will consist of a series of rod antennas, each 10 feet long and jutting out from the top of the tall thin mast like the cross-arms of a telephone pole. It can transmit, say engineers of the Westinghouse Electric & Manufacturing Co. programs on high frequencies free from the usual interfering atmospheric noises, within a radius of a 35-mile line-of-sight to the horizon. The area to be covered is circumscribed because the high frequency signals travel in direct lines like rays of light.

Experiments with a system of broadcasting on which usual stray noises cannot be heard are steps that may lead to a change in present day radio service. Improvements for the listener may be obtained by having a transmitter covering a comparatively restricted area with powerful signals free from extraneous interfering noises. Experiments with the new system will tell engineers whether any change from today's system is feasible.

Two additional short-wave rhombic antennas consisting of long horizontal wires forming the outline of a diamond will be installed at the new KDKA location. One of these short wave antennas will be aimed at Europe, the other at South America. Both will transmit programs by short waves to foreign countries, continuing a service started by Westinghouse in 1922.

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TRADE NOTES

The Federal Communications Commission has ordered that all U.S. passenger vessels of a tonnage up to and including 15 gross tons, when not navigated in excess of the limitation as shown by the Certificate of Inspection issued to the vessel involved by the Bureau of Marine Inspection and Navigation, Department of Commerce, but in no event to exceed 20 nautical miles from the nearest land or more than 200 nautical miles between two consecutive ports, shall be exempt from the provisions of Title III, Part II of the Communications Act of 1934, as amended, for a period not to extend beyond May 17, 1940; provided, that said vessels when being navigated shall not have aboard passengers in excess of the restrictions imposed by the Bureau of Marine Inspection and Navigation, and further provided that said vessels when navigated within the limitations contained herein on an international voyage, shall have on board an appropriate certificate as prescribed by the Safety of Life at Sea Convention, London, 1929.

Modern facilities in the twenty-three-story apartment house under construction at 20 Park Avenue, northwest corner of 35th Street, New York City, include individual television outlets in every suite. Arrangements are being made between the owners and the Radio Corporation of America, according to Pease & Elliman, Inc., the renting agents.

Two years ago this month, the Columbia Broadcasting System first set up the International Short Wave Program Department, administered by a staff of two. As this branch of CBS activity enters its third year, the staff numbers 17, and regular program service to Europe and to South America is augmented with a daily series of news reports in French, German, and Italian. Daily except Sunday, starting May 15, a half hour of news will be transmitted via W2XE to Europe. This service is being added to the present schedule of news in Spanish and Portuguese, delivered daily to Latin American Republics, and to regular English news periods sent to Europe and South America several times a day, as well as numerous cultural, educational, and entertainment programs short waved to both continents throughout the week.

The resignation of Richard C. Patterson, Jr., former NBC executive head, as Assistant Secretary of Commerce was accepted by President Roosevelt this week, effective July 15th. Mr. Patterson had written the President of his plan to join an important national corporation as its Chairman, a position which Mr. Roosevelt agreed he could not afford to refuse. He probably will become Chairman of the Board of the reorganized Radio-Keith-Orpheum Corporation.

Twenty-three advertisers who have used the NBC networks continuously for five years or more have increased their weekly expenditures by 849 percent since first initiating their radio campaigns, a breakdown of NBC client expenditures shows. An additional five advertisers have been with NBC continuously for more than four years and since first using NBC networks have increased their expenditures 320 percent.

From the first week on NBC until April, 1939, the twenty-eight have increased their expenditures from $81,353 to $643,909 or 692 percent. Expenditures of the five-year continuous advertisers have increased from $57,089 to $541,888, or 849 percent.

A new measuring instrument has recently been developed by the RCA Manufacturing Company for surveying the service range of television and other stations operating in the ultra high frequency spectrum of from 20 to 125 megacycles (15 to 2.4 meters wavelength). This apparatus, the Ultra High Frequency Field Intensity Meter, not only provides accurate indications of the strength of very short wavelength signals but enables records to be made automatically, with suitable attachments, and also provides data on the amount of noise which might interfere with television pictures.

Twenty-five thousand people will pay $2.50 apiece to see the running of the Derby at Epsom Downs on May 24 in twelve Gaumont British theatres equipped with Baird large screen television. Newsrooms of the London syndicates and newspapers have all been equipped with Baird home sets and are prepared to follow the race from start to finish with the aid of this latest development in communications. The Derby will be the most ambitious presentation yet staged by the Baird engineers in Gaumont British theatres.

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GERMANY TO MAKE SYNTHETIC RADIO SETS

By drastic changes in construction and materials, it is estimated that 130 tons of iron will be saved in the production of the new season's German radio receivers, according to World-Radio. Under the four-year plan every German industry is called upon to assist the country by finding substitutes for metals and materials such as iron, tin, platinum, and silk. In the new radio sets a pressed-board chassis will be substituted for iron, and the iron loudspeaker arm has been replaced by wood.

The use of tin has been reduced to a minimum by welding most of the connections, and by using a 40 percent tin content metal for soldering. The consumption of platinum, which is used as contact material on superhets.' wavelength switches, has been reduced from 25 grams to 6 grams by the introduction of a new method of applying the platinum-iridium. These figures apply to the platinum required for two thousand sets.

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MAJESTIC RADIO STOCK PUT ON MARKET

Offering to the public, by means of a prospectus, was made today (Friday) by the Allied International Investment Corporation, Jersey City, and Singer & Friedlander, Ltd., London, of 375,000 shares of $1 par value capital stock of the Majestic Radio and Television Corporation. The shares were registered with the Securities and Exchange Commission in a registration statement and have been approved for listing by the New York Curb Exchange.

Of the total offered, 200,000 shares represent authorized but unissued capital stock, of which 50,000 shares are under an option to Singer & Friedlander, Ltd., not yet exercised. The proceeds from the sale of these 200,000 shares will be used by Majestic Radio for additional working capital. The remaining 175,000 shares constitute outstanding capital stock owned by the Davega Stores Corporation and under option to the underwriters.

The authorized capitalization of the company consists of 1,000,000 shares of $1 par value capital stock, of which 550,000 shares will be outstanding upon completion of this financing.

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BBC DIRECTOR SEES RAPID TELEVISION GROWTH IN U.S.

Predicting that American energy and resources would spread television rapidly over the United States, Gerald Cock, Director of Television for the British Broadcasting Corporation, said that it would establish a new industry of large proportions. Mr. Cock, after a visit of nearly a month, sailed for England Wednesday aboard the "Aquitania".

"America has the youth, the energy and the resources to make a go of this thing", said Mr. Cock. "In the short time I've been here, I've gone to theaters, department stores and hotels - everywhere I knew a receiver was in operation. I was interested in finding out just what people thought of television. I was astonished at the public interest, particularly since they know absolutely nothing about it. The latent demand for television is most assuredly there. What is needed, I believe, is someone to give an 'urge' to it - some organization to give impetus to the whole thing.

"The progress of television in the United States will depend very largely on what the National Broadcasting Company, and others who will follow NBC on the air, put into television. You have vast resources of entertainment here in New York. You have the apparatus and the brains and the energy. I foresee two years of distress and tremendous expense for everybody connected with American television, but I believe that at the end of a few years you will have established a new and very important industry."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
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No. 1127

May 23, 1939

FCC ADVISED TO WITHHOLD TELEVISION ACTION

Making the first of two reports on its investigation of the television industry, the special three-man FCC Committee this week advised the Commission to withhold action for the time being on the request of the Radio Manufacturers' Association that television standards be fixed at 441 lines.

The Committee, headed by Commdr. T.A.M. Craven and including Commissioners Norman S. Case and Thad H. Brown, recommended:

"1. That the Federal Communications Commission neither approve nor disapprove the standards proposed by the Radio Manufacturers' Association. This recommendation is made first because the Commission by law is required to grant licenses to applicants for television stations, who prove that the granting of such applications would be in the public interest, and, second, because it appears undesirable to take any action which discourages private enterprise or which decreases the incentive for undertaking research to effect further improvements.

The Committee suggests that in taking this action the public be informed that in failing to approve the standards the Commission does not believe the proposed standards to be objectionable as a phase of a rapidly developing service. The public should also be informed that the Commission desires to be free to prescribe better performance for the transmitters it may license in the future when and if such improvements are proved to be in the interest of the public.

Also, in making this recommendation the Committee suggests that it be made clear that the proposed standards do not at this time appear to be suitable for the 12 undeveloped higher frequency channels reserved for television.

"2. That the Commission require future applicants for television station licenses proposed external transmitter performance differing from those previously in general use, to prove that such proposed performance not only equals the established quality but also will be in the public interest in view of the changed situation thus created.

"3. That the Commission adopt a policy of cooperation with the industry as a whole and that it immediately arrange a procedure by which it can keep abreast of current developments in the technical phases of television and at the same time acquaint the industry with the problems inherent in the current allocation phases of television. For this purpose it is suggested that the Commission authorize its Television Committee to undertake further studies of the development of television as it progresses and to report from time to time to the Commission the status of such development, as well as to recommend any action which may appear appropriate at the time.

"4. That the Commission announce that it will not hold a formal public hearing on the subject of proposed standards at this time. This recommendation is made because it does not appear that constructive results will be obtained at this early stage of development. After experimental operation has proceeded to the point where public reaction to television development can be gauged more accurately, a more opportune time for such a public hearing might then be presented."

Explaining its findings, the Committee said:

"The matters referred by the Commission to the Television Committee present two distinct questions, each requiring separate consideration.

"The first of these questions involves action by the Commission upon the request of the Radio Manufacturers' Association for approval of the technical standards for television proposed by that Association. The second involves the disposition to be made of several applications for construction permits to erect television stations.

"The Television Committee will submit reports dealing with these two questions separately under the title of (1) Standards, and (2) Applications, respectively. This report covers only the first, namely, STANDARDS.

"The Television Committee has held several meetings for the purpose of discussing the problem presented by the effect of standardization upon the development of television. In addition thereto the Committee has visited various television laboratories, and has conferred with several organizations concerned in the development of television from both the manufacturing and the operating standpoint. These conferences with the industry were primarily for the purpose of securing information as to the nature of the standards as well as the necessity therefor, and the effect of such standards upon the future development of television as a service in the interest of the public.

"The Television Committee is of the opinion that any jurisdiction which the Commission may have lawfully in the matter of television standards is solely that arising from its specification of external performance requirements for transmitting stations which the Commission may license in the future.

"However, a serious question of public interest would arise in the future if the Commission should specify external transmitter performance capabilities differing from the operating capabilities of receivers in the hands of the public. This is because of the resultant possibility that the public's receivers would be incapable of receiving programs emanating from transmitters licensed by the Commission. Thus, while the Commission has no legal authority to specify standards for the radio manufacturing industry, there is involved in any such standardization a question of public interest which makes it necessary for the Commission to keep itself actively informed of technical progress in television in greater detail than might be necessary otherwise in regular forms of radio communication.

"The Federal Communications Commission is assigned by law a most complex problem of engineering, economics and sociology. It is doubtful if the full meaning of this is thoroughly understood by the general public.

"In this matter of television, the Commission must decide not only positive issues such as the ultimate technical standards of performance, but negative ones, such as what radio services shall be displaced or denied in favor of television. In this, it must be admitted, the Government can only proceed with the best evidence available and make as scientific an estimate as possible. Nobody can foresee the progress of scientific invention, nor can anyone predict safely what the public will or will not accept. Therefore, it would appear to be absurd for the Commission or the industry at this time to take the position that they know precisely what the future holds.

"We feel that television technology stands at approximately the same point on its road of development as did the automobile business immediately prior to the advent of mass production. At that time, with the Selden patents controlling the industry, automobiles were expensive, few and hand-tooled. It appeared they would remain a luxury attachment to the wealthy household.

"Had the Government been asked at that time to fix standards of performance for the automobile industry as the Federal Communications Commission is asked to do for television, it would have been very unlikely that any agency of the Government could have foreseen the changes which swept over automobile engineering in a few short years as a result of free private enterprise and uncontrolled competition between engineers and manufacturers. Generally speaking, the history of the emergence of the automobile industry is the record of all improvement in machine operations. Conscious of this, the Television Committee is extremely hesitant to recommend anything which might later prove to hamper the orderly development of the industry.

"We wish to facilitate, and not delay, the speedy emergence of television as a mass production industry. Fundamentally, there is little we believe the Government should do except to keep order and insure protection of the public's interest as set forth in general terms in this report. The technical ingenuity of American inventive genius must solve the problem and indicate the road television development ultimately will follow. The Committee is firmly of the opinion that it would be hazardous to both the best interests of the industry and the public to attempt by administrative fiat to freeze the art at this stage of its development."

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TELEVISION PASSING FIRST STAGE, REPORT SAYS

Television is just emerging from the first, or technical research, stage of development in the opinion of the Special Television Committee of the Federal Communications Commission stated in its first report.

"The Television Committee considers that from the broadcast standpoint television is now barely emerging from the first or technical research stage of development", it stated. "At this time considerable patience, caution and understanding are required. Careful corrdinated planning is essential not only by various elements of the industry, but also between the industry as a whole and the Federal Communications Commission.

"The Committee feels that there is some merit to the proposals of the Radio Manufacturers' Association as an initial step to obtain orderly progress by an industry in the second or experimental operation stage of development of television. However, there should be no lessening of incentive to undertake research leading toward further improvements. In addition, the Television Committee is of the opinion that future progress in television might be more stabilized if basic performance requirements are developed in new transmitters which permit applying the results of future scientific and technical research without rendering totally unworkable the public's receivers in general usage.

"Furthermore, if standards are to be adopted by anyone, they should be sufficiently flexible to permit not only improvements in quality but also radical reduction in price. Unless the television receiver of the future is to be within the pocketbook capabilities of the average American citizen, television as a broadcasting service to the general public cannot thrive as a sound business enterprise for any extended period.

"Television presents the future possibility of developing a new and important industry, particularly if such development is planned logically on sound economic principles. There are pitfalls of an economic character which should be avoided if television is to become a sound business enterprise capable of

rendering a sustained and acceptable service to the public of the nation. Undue haste and lack of coordination between the various elements of the industry are undesirable because of the inevitable retardation of orderly development. While television as a major industry may have distinct social advantages through the creation of new employment, it appears necessary that all concerned exercise caution to minimize disadvantages which could result in unnecessary displacement of labor in industries which may be adversely affected by television service on a national scale. These disadvantages are susceptible of being minimized.

"Thus in the development of television as a major industry, it again appears that cooperative coordination between the manufacturers of receiver apparatus, the operators of licensed transmitting stations, and the Federal Communications Commission might be desirable in the development of television as a national service in the interest of the public. While this coordination may be an ideal objective, the continuous exchange of information and the discussion of mutual problems would at least be practical and might enhance far-sighted planning.

"The extreme limitation of available channels presents a serious problem, particularly in the early stages of television service, because only 7 channels are now developed from a technical standpoint. At first these 7 channels will probably be utilized in cities having large population and areas. The remaining 12 channels which have been reserved and which are not yet developed technically, will be useful for smaller communities as well as for additional stations in the larger communities. The experience gained in the technical phases of the earlier use of the 7 channels which have been developed to date should be utilized to advantage for the service to be rendered on the remaining 12 channels.

"It is necessary that television service on a nation-wide scale be operated ultimately on a competitive basis. At present, by reason of the high cost of operation, it appears that cities of less than 100,000 population may have difficulty in supporting one television station, and that in cities of population less than 1,000,000 it may be difficult to operate two television stations on a profitable basis if reliance for financial support must be placed upon advertising as the only source of income.

"Thus with the combination of scarcity of channels and the estimated high cost of operating the transmitting stations which will render television program service to the public, it appears highly essential that the industry be encouraged to undertake further practical research leading toward the development of methods which will permit more stations to be accommodated in the limited space in the radio frequency spectrum as well as facilitating lower costs in the production of good quality program service to the public.

"In the opinion of the Committee, practical television service to the public on a nation-wide scale cannot be expected for some time in the future. Much development remains to be accomplished from both a technical and organization standpoint.

Facilities for the distribution of programs from one center to another have yet to be developed, financed and constructed. Much has yet to be learned concerning program production as well as financing and reducing the cost thereof. Primarily because of the large cost of construction of transmitting stations as well as the high cost of operation thereof in a national competitive system, it is expected that for the next few years the largest metropolitan centers will be the only centers receiving television service and that the smaller centers of population will not have transmitting service available for several years. The cost of receivers will be high during the first years of development, and this in turn may have an additional retarding effect upon the construction of television transmitting stations, particularly in smaller communities.

"This high cost of service as well as the relatively high cost of television receivers may be a retarding factor in the development of television as a service on a national scale. It may also act as a deterrent upon early mass production of receivers at low cost. In the opinion of the Committee, these natural economic factors of delay are not undesirable because they will enable a more sound development ultimately of an improved television service to the public, particularly when mass production of receivers at lower cost may become more of a reality than a hopeful probability.

"In view of the foregoing, it seems safe to conclude that the establishment of a television service on a national scale will be a process of gradual development, beginning progressively with the larger cities and, over a period of years, finally becoming available to smaller communities.

"The financing of television requires courageous pioneering efforts on the part of American investors. Extreme caution should be taken to avoid investment in unproven enterprises. There are many organizations which now have sound basic plans for the development of certain phases of the television art. There may be others which are not equipped from the standpoint of either basic facilities or organization, but which will nevertheless attempt to secure financial support from the investing public. Such enterprises are doomed to ultimate failure. Therefore, good business acumen should be exercised by all concerned and exhaustive scrutiny of every television financial prospectus should be undertaken to insure adequate protection of the investing public."

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New BBC transmitting stations, situated, respectively, at Start Point in Devon, and Clevedon, near Bristol, will be opened by the Lord-Lieutenant of Devonshire, the Rt. Hon. Earl Fortescue, on June 14th. Both Start Point and Clevedon will radiate the BBC's Western programs from the opening date, and with their coming into operation, the existing West of England transmitter at Washford, Somersetshire, and the low-power stations at Bournemouth and Plymouth will close down. Start Point will work on a wavelength of 285.7 metres (1,050 kcs.) with a power of 100 KW, and the transmitter at Clevedon on 203.5 m.(1,474 kcs.) with 20 KW power.

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TELEGRAPH MERGER PROBE OPENS; CRAVEN IS WITNESS

Commissioner T.A.M. Craven, who has long warned of the necessity of Federal aid to the telegraph industry, was one of the first witnesses as hearings opened this week before a sub-committee of the Senate Interstate Commerce Committee on the Wheeler resolution authorizing an extensive Senate investigation.

Commander Craven stated that unless some such relief as was proposed is given the telegraph companies that the wired communications industry will be controlled entirely by the American Telephone & Telegraph Company.

Senator Wheeler made public letters from Secretary of Commerce Hopkins and Attorney General Murphy endorsing the Senate investigation of the needs of the telegraph industry.

The Western Union and the Postal Telegraph might be consolidated in one of the mergers under consideration, the benefits of which would be explored by the inquiry.

Senator Wheeler read excerpts from the letters when he appeared before an Interstate Commerce sub-committee to ask approval of a resolution providing for the investigation.

"We feel that the problems of the telegraph industry have reached a critical stage", Secretary Hopkins wrote, "and are delighted at the prospect of having some responsible agency undertake a careful survey of the situation with a view to developing a constructive program."

Mr. Murphy informed Senator Wheeler that the Department of Justice had suits pending against both major telegraph companies for alleged violation of the Anti-trust Laws and could supply much information to an investigating committee.

Senator Wheeler said that Western Union had been showing substantial losses in recent years, while the Postal Telegraph Company was in receivership and its lines likely to fall "wittingly or unwittingly into the hands of Western Union."

He suggested that the proposed inquiry might answer such questions as these:

"Can the present companies under proper supervision profitably continue and prosper?

"Should the landline telegraph systems be consolidated?

"Should the landline and the international systems be consolidated?

"Should the landline and the international and telephone systems be consolidated into one gigantic monopoly?

"Should each of the three types of communication - written, oral and radio - be confined to prescribed limits of activity?"

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ALMONTE WELCOMES VISITORS TO RCA EXHIBITS BUILDING

Made to order for the position, Mr. J. de Jara Almonte, well-known for his fine work as Night Manager and later Assistant to the President of the National Broadcasting Company, is now Executive RCA Representative at the RCA Exhibits Building at the World's Fair, New York. Noted for his personal courtesy and competent manner in handling difficult situations where tact is required, Mr. Almonte has been referred to in Radio City as "the Diplomat of the Kilocycles".

It is the desire of the RCA to have important people all over the country make the guests' lounge at the RCA Exhibits Building their headquarters.

The RCA is featuring television, of course, in its general display, also the "Newspaper of the Air", a newspaper published by radio facsimile and received in subscribers' homes every morning, for breakfast perusal. There are many other exhibits, but these attract the greatest interest.

In the courtyard of the Exhibits Building the RCA has a television camera, and candidates are selected at random for a sort of "Vox Pop" program, seen by the visitors in the Television viewing hall. This enables a visitor to "act" while friends or relatives in the viewing hall look on with glee.

In addition to the chamring company of Mr. Almonte, who is worth going out of one's way to see any day, the RCA's guest lounge will be a welcome interlude after tramping a dozen miles or so from exhibit to amusement, and where warm weather can be made cooler for the tired sight-seer.

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CRAVEN OPPOSES RULE ON PROGRAM CONTENTS

Opposition to any rule of the Federal Communications Commission specifying contents of radio programs was expressed by Commissioner T.A.M. Craven in an address at Columbus University last week.

"It has been suggested that the Commission should adopt rules governing program service which could serve as a guid to licensees", he said. "I consider this suggestion to be impracticable because it has the danger of requiring the Commission to exercise a regimented control of program service which would result in the imposition of its judgment upon the American people. The Commission might more properly be concerned with the question whether the program service of an individual station or the standards of program service of an industry conform to public opinion, tastes and demands. However, in view of the foregoing inherent danger as well as the specific prohibition against censorship, I am of the opinion that the Commission should not adopt any rule specifically prescribing contents of program service.

"I am convinced that the American system of broadcasting, operated in accord with the broad policies now prescribed by Congress, has proved to be the best method of applying this modern invention of radio to the service of the people of the United States. I recognize, however, that the method by which broadcasting is regulated can change completely its aspect as a service to the public. Therefore, I believe that among the best methods to safeguard the American system of broadcasting is, insofar as is practicable, to encourage and require full and free competition. I am of the opinion that the attainment of this objective requires a faithful adherence to the diversification doctrine of licensing stations in any community or region as well as in the nation as a whole, and also the licensing of an adequate number of stations to insure active competition, not only in business but also in service to the public."

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S-W RECEIVERS TABOO, EVEN FOR FOREIGNERS, IN JAPAN

Although General Electric is transmitting regular short-wave programs to the Orient now from its new station near San Francisco, Americans or other foreigners residing in Japan are barred from listening to them unless they do so without the knowledge of the police.

Reviewing the short-wave activities of the Japanese Government, which broadcasts daily in eight languages for the world to hear, a correspondent of the New York Times cited the incongruous taboo on short-wave receivers in Japan.

"Japan does not practice reciprocity in radio", he said, "and American and European residents here are not allowed to own radio apparatus capable of receiving short-wave messages. American or other sets which could pick up other countries are carefully stripped of their short-wave powers before being sold and are liable to be inspected at any time by the police. Some time ago a spectacular police radio, with police vans and a conspicuous display of force, was made to arrest an American in Yokohama whose offense consisted in the possession of a short-wave receiving set. It was widely published and served as an effective deterrent to others. Embassies and legations, being legally on foreign soil, can and do possess short-wave sets, and the news they hear sometimes contrasts piquantly with what they read in the local press."

As for Japan's transmission, the correspondent said:

"Like other modern nations, Japan is in the news business, and disseminates Japanese news to all parts of the world daily in eight languages. Six separate programs, including news, are broadcast each day from the new Tokyo studios of the Japan Broadcasting Corporation, a semi-official organization which has a monopoly of broadcasting in Japan.

"Europe receives two services daily in English, French and German; the eastern parts of the United States also receive two services each day, and three are sent to the Pacific States

and Hawaii, the additional service being arranged because of the large number of Japanese who live there. South America is supplied in Spanish and Portuguese; the South Seas regions, including Manila, Hong Kong, Siam, French Indo-China and the Netherlands East Indies, in Dutch, French, Chinese and Japanese. Every service is also sent in a Japanese version for the benefit of Japanese listeners abroad. The news service lasts for about ten minutes at each broadcast."

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TRADE NOTES

J. Vance Babb, until early this month manager of the NBC Press Division, has been made Director of Publicity of the United Brewers Industrial Foundation, 21 East 40th St., New York City. The appointment is effective May 22nd. The Foundation's membership is said to comprise 70 percent of all American brewers.

Philco will announce its new 1940 radio line, and its first television receivers for the public, at a national convention to be held at French Like, Indiana, June 5-8. Philso will announce and show for the first time its line of television receivers.

Philip G. Loucks, Special Counsel, will represent the National Association of Broadcasters at the FCC hearing June 1st on exceptions to the proposed new rules and regulations for the broadcasting industry advanced by an FCC committee composed of Commissioners Case, Craven and Payne. Mr. Loucks, who represented the NAB at the June 6 hearing last year on new rules and regulations, has filed the exceptions to the Committee's report.

George P. Reid, 40, native of Washington and former announcer for Station WJSV, died last week at his desk in the National Broadcasting Co. studios in New York City.

Germany's national, broadcasting station at Herzberg, Saxony, just put into operation, has a mast 1,111 feet high, which is claimed to be the tallest in Europe. Situated in almost the geographical center of Greater Germany the new 150 kilowatt replaces station at Zeesen, which operated on 1,571 meters, 60 kilowatt long-wave station. Preparations have been made to increase the new station to 200 kilowatts when the new Montreux schedule goes into force March 4, 1940.

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NBC TELEVISES OVER TELEPHONE WIRES FOR A MILE

Engineers of the National Broadcasting Company televised publicly over an ordinary telephone line for the first time last week, according to the New York Times. The telephone wire hook-up, from the bicycle races in Madison Square Garden to the NBC studios in Radio City, by way of the telephone company's Circle exchange at Ninth Avenue and Fiftieth Street, was a little over a mile long.

Previously the telephone wire had been used only for short distances in laboratories. Otherwise costly coaxial cables have been regarded by engineers as the only type of a wire channel that could be used effectively to transmit a television image.

The cost of a coaxial cable from New York to Philadelphia, a distance of ninety miles, installed more than a year ago by the Bell Telephone Laboratories, was reported to have been $500,000.

The telecast over the telephone wires was made possible by the development of amplifiers by Bell engineers. The engineers emphasize that the program was strictly experimental and that the success of the telecast did not warrant a prophecy of national television networks on the basis of telephone wire circuits. One of the benefits of the telecast, engineers said, was that it proved a theory possible.

After the images were received in the studios they were conveyed over an axial cable to the transmitter in the tower of the Empire State Building and from there sent out over the air. Observers who saw the images in studios were impressed with the bredth of view. They said they saw all the bicycle riders from one end of the Garden to the other.

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VISUAL NEWS SERVICE INAUGURATED AT FAIR

Jointly operated by the New York Herald Tribune and the International Business Machines Corporation, a visual broadcasting news service furnishing late news bulletins on four-foot screens was inaugurated last week in the Business Systems and Insurance Building at the New York World's Fair.

The news service, which will continue at the exhibit for the duration of the Fair, uses IBM's radiotype machine, operating over an ultra high-frequency radio wave, enabling the transmission of 100 words a minute. The words, greatly magnified, are projected on a large Translux screen, similar to those used in motion picture theaters.

Opening day's news bulletins were relayed from the Herald Tribune offices to IBM headquarters a mile away, and then relayed from there to the Fair by radiotype.

The radiotype machine is, in effect, a typewriter which operates by radio impulses. It includes an electric writing machine, entirely controlled from the keyboard. Each key, when struck, sends out a separate group of radio impulses, which actuate the corresponding key on any number of receiving machines of a similar nature "tuned" in on it.

Unlike television, matter transmitted by the radiotype can be magnified to any size and can be seen accordingly by a greater number of persons at one time. Cruising speed is considered to be about 100 words a minute, which is considerably faster than the rate achieved by most typists on an ordinary typewriter.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
RECEIVED
MAY 27 1939

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FCC ORDERS BETTER U. S. INTERNATIONAL BROADCASTS

American short-wave international broadcasting stations will be able to hold their own with those of Germany, Great Britain, or Italy, Government officials believe, when the new rules adopted by the Federal Communications Commission this week become effective.

Increased power, cultural and good-will programs, and directive antennas are to be required of all international stations so that they will be sure to reach listeners in the countries to which the broadcasts are directed.

To defray the cost of this improved technique and to spur the commercial broadcasting stations to improve the service the FCC agreed for the first time to lift the stations out of the purely experimental field. International stations hereafter will be permitted to carry commercial programs under strict restrictions.

There are now 13 international short-wave stations licensed by the FCC, but only about half of these are performing anything like adequate service. All stations were ordered to submit applications for license renewals by July 1st, and it is expected that the less active of the stations may be denied renewals. Practically all that continue operation will have to boost their power as the rules require a minimum of 50 KW.

The most active of the international broadcasters, who up to this time have borne the cost of experimentation without any financial return, are those operated by the National Broadcasting Company, the Columbia Broadcasting System, General Electric, Westinghouse Electric & Manufacturing Co., The Crosley Corporation, and the World-Wide Broadcasting Foundation.

The decision to permit international stations to carry commercial advertising, it is understood, was adopted as a result of an investigation of more than a year by the Inter-departmental Committee of Government officials headed by Frank R. McNinch, Chairman of the FCC.

The Administration agreed to the plan, it is said, as an alternative to outright government broadcasting, such as proposed in the establishment of a Pan American short-wave station, or Federal subsidies to privately-owned stations.

The United States is determined that American short-wave broadcasting will equal if not surpass that of the countries whose broadcasts are financed by the Government outright or by means of a Government-sanctioned monopoly. The principal objective is to build up good-will in the Latin American countries, where the Nazis have long battled via ether waves for political and economic advantages.

The new rules, which become effective immediately stipulate that a licensee of an international broadcast station "shall render only an international broadcast service which will reflect the culture of this country and which will promote international good-will, understanding, and cooperation".

Commercial or sponsored programs must meet the following specifications:

"1. Commercial program continuities gives no more than the name of the sponsor of the program and the name and general character of the commodity, utility or service, or attraction advertised.

"2. In case of advertising a commodity, the commodity is regularly sold or is being promoted for sale on the open market in the foreign country or countries to which the program is directed in accordance with subsection (c) of this section.

"3. In case of advertising an American utility or service to prospective tourists or visitors to the United States, the advertisement continuity is particularly directed to such persons in the foreign country or countries where they reside and to which the program is directed in accordance with subsection (c) of this section.

"4. In case of advertising an international attraction (such as a world fair, resort, spa, etc.) to prospective tourists or visitors to the United States, the oral continuity concerning such attraction is consistent with the purpose and intent of this section.

"5. In case of any other type of advertising, such advertising is directed to the foreign country or countries and to which the program is directed in accordance with subsection (c) of this section and is consistent with the purpose and intent of this section.

"(c) The areas or zones established to be served by international broadcast stations are the foreign countries of the world, and directive antennas shall be employed to direct the signals to specific countries. The antenna shall be so designed and operated that the signal (field intensity) toward the specific foreign country or countries served shall be at least 3.16 times the average effective signal from the station (power gain of 10).

A license for an international broadcast station will be issued, the rules state, only after a satisfactory showing has been made in regard to the following, among others:

"1. That there is a need for the international broadcast service proposed to be rendered.

"2. That the necessary program sources are available to the applicant to render an effective international service.

"3. That the technical facilities are available on which the proposed service can be rendered without causing interference to established international stations having prior registration and occupancy in conformity with existing international conventions or regulations on the frequency requested.

"4. That directive antennas and other technical facilities will be employed to deliver maximum signals to the country or countries for which the service is designed.

"5. That the production of the program service and the technical operation of the proposed station will be conducted by qualified persons.

"6. That the applicant is technically and financially qualified and possesses adequate technical facilities to carry forward the service proposed.

"7. That the public interest, convenience and necessity will be served through the operation of the proposed station."

The new rules governing the experimental service eliminate the former general and special experimental license and divide the licensees of this service into three groups. Class One experimental stations are stations licensed for general or specific research or experimentation for the advancement of the radio art along lines which are not specifically directed to any proposed or established radio service. Class Two experimental stations are stations licensed for research and experimentation in radio directed toward the development of a proposed or established service. Class Three experimental stations are licensed to individuals as defined by the Communications Act, interested in radio technique solely with a personal aim to conduct experiments on his own behalf, requiring the use of radio facilities for a limited time.

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NAB CODE TO BAN PROPAGANDA BROADCASTS

The National Association of Broadcasters' proposed new voluntary code of self-regulation for radio broadcasters will ban religious hatred, dramatization of political campaigns and "hidden propaganda" and will require the broadcasting of both sides of controversial subjects, according to Edward M. Kirby, Director of Public Relations. Speaking at the biennial meeting of the National Council of Women in New York this week, he said the code will be put in final draft next week and submitted for approval at the convention of the Association in Atlantic City on July 11 and 12.

A committee of eleven representatives of all types of radio station operation, as well as of the three major networks - National, Columbia and Mutual Broadcasting Companies - has had the code in preparation since last December, Mr. Kirby said, and only slight modifications will be made in it before it is submitted to the broadcasters. Neville Miller, President of the Association, is Chairman of the Code Committee and Mr. Kirby is a member.

The code, Mr. Kirby said, has been designed to assure fairness in radio broadcasting and programs arranged along peaceful and democratic lines. The responsibility for the "proper use of the radio", he observed, "lies squarely on the shoulders of the broadcasters".

The agreement will provide that no religious hatred or racial prejudice shall go on the air and that if there are two points of view on a subject, both sides must be broadcast to permit listeners to evaluate controversial matters, Mr. Kirby said.

According to the code, the broadcasters will make a continual study of children's programs as to subject and advertising matter and will prohibit programs that encourage children to go, for instance, "in strange places" seeking cartons, boxes and other evidence of advertised products to win prizes.

Hidden propaganda, such as the promotion of products on a safety or educational program, will be banned and educational matter will be better prepared and made more interesting, according to the code, which also will require advertisers to live up to the regulations of the Federal Trade Commission, the Federal Communications Commission and the Pure Food and Drug Act.

Political broadcasts, under the code, cannot be dramatized, Mr. Kirby said, because it would place campaigns on an emotional level and take them out of the realm of debate and "logical exposition". News broadcasts would be limited strictly to "factual reporting", although news commentators would reserve the right to express their own opinions.

The code is expected to go into effect in the Fall.

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SUPER-POWER ARGUMENTS DUE AT FCC HEARING

With oral argument on the proposed rules governing standard broadcast stations scheduled for June 1st, renewed pleas for super-power authorization are to be made by spokesmen for clear channel outlets.

The subject of the hearing will be the recommendations of the Special Committee which drafted a report after lengthy hearings. The Committee comprises Commissioners Norman S. Case, Chairman, and T.A.M. Craven and George Henry Payne.

Its recommendation with regard to super-power was that the maximum power of standard broadcast stations be 50 KW, and that super-power be made the subject of further study.

Briefs attacking this regulation have been filed with the Commission by Louis G. Caldwell, counsel for the Clear Channel Group, and Duke M. Patrick, attorney for Station WLW which early this year was forced to reduce its power from 500 KW to 50 KW.

Philip G. Loucks, as Counsel for the National Association of Broadcasters, has filed a brief attacking other provisions of the proposed regulation. Evading the controversial power issue, the NAB attacked proposals to fix financial requirements for an applicant, to make residence a requirement of eligibility for a local station permit, to limit licenses to one year, and to prohibit the commercial use of experimental facilities.

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RANGE OF U. S. BROADCASTS EXTENDED TO LINERS

The range of reception of American short-wave radio programs was recently extended when the Electrical Division of the Department of Commerce expanded its world-wide distribution of advance schedules of American short-wave broadcasts to include steamships operating between the United States and foreign countries. The new service was inaugurated by John H. Payne, Chief of the Electrical Division.

This service enables radio operators aboard ship to readily select radio programs for the entertainment of their passengers from the wide variety of broadcasts transmitted by all the United States short-wave stations. The offer of the Electrical Division to make these programs available to ocean liners was accepted by the European and eight United States Steamship lines operating more than 100 of the largest passenger vessels now in service.

Although the service of supplying advance schedules of American broadcasts to steamships was only recently inaugurated, the Electrical Division for several years has been supplying these schedules to more than 300 localities throughout the world, through the cooperation of the Foreign Offices of the Department of Commerce and the Consular Offices of the State Department, with the object of obtaining foreign publication of the programs.

The publication of United States radio programs in various foreign periodicals, makes it possible for the citizens of those countries to know the subject and exact time of these broadcasts. As a result American broadcasts are listened to more frequently in foreign countries than if attention were not called to them by these programs.

The programs are compiled by the Radio Manufacturers' Association from advance material provided by the privately owned radio stations in the United States using short wave frequencies. Many of the regular feature programs that are broadcast domestically in the United States are also transmitted by short wave to other countries. In addition, there are many short-wave news and entertainment broadcasts from the United States in various languages, including German, Italian, French, Portuguese and Spanish, which are prepared and used on short wave only.

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N.Y.C. STATION UPHELD IN RELIGIOUS BROADCASTS

Station WNYC, New York's municipal radio station, has a legal right to broadcast the programs at communion breakfasts of departmental Holy Name Societies, State Supreme Court Justice Bernard L. Shientag ruled this week in dismissing an injunction suit brought by Joseph Lewis, veteran campaigner against governmental assistance to religion.

Mr. Lewis contended that such broadcasts violated the provisions of the State Constitution prohibiting gifts of public money for the furtherance of a religious sect, according to the New York Times.

"What this contention overlooks is that the broadcast is not made for the benefit of the Holy Name Society", Justice Shientag wrote. "It is made because it is of interest to the listening public. For that purpose the city may, of course, expend its money or property."

The opinion noted that the broadcasts were not made from churches but from hotels and restaurants and that they were specifically authorized by a local law passedin 1930 when a similar action was pending in the courts. It also observed that speakers at the breakfasts included non-Catholics as well as Catholics and that the speeches were frequently about topics of general interest.

It cannot be truthfully contended that the broadcasts are discriminatory since the proceedings of the St. George Society, an organization of Protestant city employees, are also to broadcast over the station, the opinion added. The standards applied, the Court said, are the same as would be applied upon the broadcast of the proceedings of any other public function of city employees.

"The broadcast of the proceedings of a Holy Name Society is no more a use of the station for the private purposes of the HolyName Society than is the giving of concert by a private orchestra in Central Park a use of city park property for the private purposes of the orchestra", the Court said.

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RADIO HAS SPURRED WORLD TRADE, SAYS SARNOFF

Radio has spurred world trade and the progress of civilization, David Sarnoff, President of the Radio Corporation of America, said in an address Thursday night at the World's Trade Dinner at the New York World's Fair.

"Civilization has progressed as communication has gone forward, and our modern age is tuned to the electric signal", he said. "The telegraph and telephone gave modern industry its great impetus. Radio has augmented those services amazingly, not only by providing an unprecedented method of reaching great masses of people instantly and simultaneously, but also by giving the world faster and more direct contacts.....

"As we have gained more intimate contacts with the rest of the world, we have learned that international trade is more than a matter of intellectual bargaining among men and nations. A meeting of the minds is not enough. There should also be a meeting of the hearts.

"It is with this belief that the American system of radio has become international in scope.

"In distributing at home the programs which come from abroad, the tradition of American free speech is extended to the ideas of the whole world. The door of welcome is thrown wide open, whoever speaks on the air. It is left to the American people to make up their own minds about the world issues. Radio's only concern is that they be given every chance to know the facts."

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FCC RULING ON S-W STATIONS CALLED DANGEROUS

"More light needs to be thrown on the ruling of the Federal Communications Commission directing that international broadcast stations must 'render only an international broadcast service which will reflect the culture of this country and which will promote international good-will, understanding and cooperation", the New York Times stated editorially this week. "Such a ruling could doubtless be interpreted so broadly as to mean little more than the general test, already applied to domestic stations, of whether their service is 'in the public interest'. But it could easily lend itself, also, to an interpretation that might bring about a real censorship.

"This would involve definite dangers. If our international broadcast programs are to be censored so that they shall not offend this or that foreign Government, it is only a step to the argument that it is at least as desirable to censor our domestic programs so that they shall not offend our own Government. It is not practical to consider the feelings of foreign rulers more tenderly than the feelings of our own. Censorship of all kinds has an inevitable tendency to spread.

"A ruling such as the Federal Communications Commission has just announced, moreoever, must tend to give our Government a responsibility for private utterances that it would not otherwise have. To announce that only those programs will be authorized which promote international good-will, to imply that no program will be permitted that has the Government's disapproval, will be certain to give the impression abroad that any program which it does permit will have the Government's positive approval. If a speaker on such a broadcast, for example, though he has no official standing, attacks the policies of Japan in the Orient, the Japanese Government may want to learn from ours whether it considers this attack likely to 'promote international good-will'. If it were the announced policy of our Government to allow the utmost practicable freedom of speech in international broadcasts, it would not assume responsibility for what was said. Nothing whatever should be done to encourage the impression that our private international broadcasting stations will be used as an instrument to reflect our Government's foreign policy.

"This is not to deny that the question of the control of international as of domestic broadcasting involves some delicate problems. The Government does have a responsibility in relation to radio broadcasting that it does not have toward the older forms of publication. But the responsibilities it assumes should never be greater than the necessities of the case require. Certainly, those responsibilities should be general, not specific."

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TRADE NOTES

James V. McConnell, Assistant to Roy Witmer, NBC's Vice President in Charge of Sales, has been appointed to the newly created post of National Spot and Local Sales Manager. Mr. McConnell will head up all sales activities of NBC's owned, operated and programmed stations which are under the supervision of William S. Hedges, Vice-President in charge of the recently augmented Stations Department.

Radio's first official day at the New York World's Fair is being held today (Friday), when "WMCA-Day" and is being celebrated on the grounds of the Flushing Meadows with a two-hour broadcast originating in the Hall of Special Events.

"...bee as in broadcasting" is the title of a report on Summer radio advertising published this week by the Columbia Broadcasting System. Experience of four typical year-round advertisers on CBS is cited, with facts and figures on the efforts and results of their radio selling. The book also summarizes pertinent data on the extent and nature of Summer audiences for 1938 and 1939.

Changes in the Wagner Labor law, including repeal of the provision for "closed shop" agreements, have been recommended by the Radio Manufacturers' Association in a detailed brief filed May 23rd with the Senate Education and Labor Committee. Fair and equitable principles, including careful scrutiny of voting in employee elections, and equality of employers under the law were recommendations made in the RMA brief. It was presented at the opening of testimony by industry following several weeks of examination, by the Senate Committee, of NLRB and union witnesses.

Continued increase in radio sales this year was indicated in the April collections of the 5 percent Federal radio tax. The U.S. Bureau of Internal Revenue reported that the radio tax collection last April were $286,584.97, an increase of 24 percent over the April 1938 radio tax collections of $231,055.49. This continued the increase during the previous months this year. April excise taxes on mechanical refrigerators, however, decreased, amounting to $848,640.07 last April against $1,097,320.79 in April 1938.

The monthly index of radio advertising in Printer's Ink out this week shows for April an increase of 11.8 percent over 1938, but a decline of 3.6 percent from March. Farm paper advertising was off 4.9 percent from 1938 in April, but up 17.4 percent from the preceding month. Direct-mail volume was off 0.3 percent from 1938.

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LICENSE OF WHOM RENEWED DESPITE COMPLAINTS

The Federal Communications Commission this week renewed the license of Station WHOM of Jersey City, renewal having been held up since November because of complaints that it broadcast an anti-Semitic program. Commissioner George Henry Payne voted against the renewal, which was announced without comment.

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TELEVISION OF DERBY USES NEW FILM SCREEN

Television had one of its biggest days in London when "lookers-in" saw England's biggest sporting event - the Derby - from start to finish, according to a correspondet of the New York Times.

"Five of the biggest motion-picture theatres in London put the program on their screens and were jammed", the correspondent reported. "The doors of some of them had opened an hour early to accommodate the crowds. Although a brilliant sun made the screen look slightly gray and blurred wide angle shots, the view of the race itself was pronounced excellent.

"A private demonstration of what is hoped will prove the solution of one of the worst problems of television - how to throw images on a sufficiently large screen to be seen by a large number of people - was given at the studios of the Electric Musical Industries at Hayes. It had a good reception.

"Its makers contend that this screen is as large as the ordinary movie screen and at the same time allows a clearer definition of the image than is presently possible. It is said that this process, which was developed by the company in secret, is fully completed. If its makers' claims are accurate, it will go far toward turning motion-picture theatres into television studios.

"British Broadcasting Corporation mobile television units did wonders with the race. One camera took the horses from the starting post for about the first mile to Tatenham Corner, while another followed them down to the finish. A third was established near the enclosures. In addition to the actual race, the cameras showed paddocks, number boards and views of the huge crowd.

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DUE TO MAY 30TH BEING A HOLIDAY AND THE GOVERNMENT DEPARTMENTS CLOSED ON THAT DAY, THERE WILL BE NO ISSUE OF THIS SERVICE NEXT TUESDAY (DECORATION DAY).

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GREECE IN MARKET FOR TRANSMITTING EQUIPMENT

"Although nothing has been given out officially, it is understood that the Greek Government is considering a more elaborate system of broadcasting stations as an alternative to the purchase of two small transmitters (10,000 and 5,000 watt) for Salonika and Jannina or Corfu", according to the American Commercial Attache at Athens. "The new suggestion involves moving the present medium-wave Athens transmitter (15,000 watt) to Salonika and purchasing a new 50,000 watt station for Athens. A 5,000 watt transmitter would be needed for the Corfu region in any case.

"The comprehensive proposal submitted by Telefunken some time ago included the present Athens installation (15,000 watt grid modulated transmitter, with speech and studio equipment, antenna and acoustical treatment of studio but no building construction), two further medium-wave stations of 100,000 watt and 5,000 watt respectively with similar extras, and one 10,000 watt short wave transmitter. The total bid is reported to have been 240,000,000 drachmas (slightly over $2,000,000), payable in 10 annual installments without interest and including 3 spare power plants. These terms were conditional upon Telefunken receiving a monopoly of broadcasting activities in Greece over a period of years.

"Only the 15,000 watt station actually was purchased and installed near Athens, with a total outlay for imported Telefunken equipment of approximately 11,000,000 drachmas (about $95,000). It has proved inadequate, however, since reception is reported as very bad at Salonika and various other points. At the same time it is felt that a 50,000 watt station would be quite sufficient in place of 100,000 watt as at first suggested.

"The most serious problem is that of payment terms. Telefunken's proposals were attractive in this respect, but it was recognized that the price quoted has been raised accordingly. The general opinion in official and trade circles appears to be that no less than 50 percent were added on this account. Moreover, Greece prefers not to give a broadcasting monopoly to any foreign company. A lower quotation and something in the way of payment facilities might get the contract for an American manufacturer. The business is not only of importance in itself, but could have a far reaching effect upon future sales of radio receiving sets and many other lines.

"Based on such American quotations as are available here, it does not appear that the necessary equipment for a 50,000 watt and a 5,000 watt station should cost more than $200,000 at the outside. Technical assistance, incidental installation expenses and generous commissions might conceivably bring the total up to $400,000. Even so, there is an enormous gap between this figure and the prices quoted by Telefunken.

"If the Greek Government considered paying Telefunken $200,000 annually for 10 years, it might be possible to buy the two new stations from the United States, paying perhaps $125,000 annually for three years. So large a portion of all trade between the United States and Greece is now conducted on a cash basis that a sum of this kind would still leave total American commercial credits in Greece at a level far below what used to be considered normal."

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1129

L. Reid 6/12/39

NBC TELEVISES FIGHT AS NAB SEES LAW BARRIER

The first heavyweight fight was televised in the United States for public reception Thursday night when the National Broadcasting Company placed its camera at the Baer-Nova ringside in the Yankee Stadium, New York City.

Yet only a few days earlier, Neville Miller, President of the National Association of Broadcasters, told a Senate subcommittee that there is a serious question as to whether or not the televising of boxing exhibitions does not constitute a violation of the Federal law which prohibits the transmission of fight pictures across State lines.

On the day of the fight, RCA Victor in newspaper advertisements in New York announced that NBC's television camera would be at the ringside "ready to send the big fight to you through air by pictures".

While there was no data available immediately as to how many television receivers were tuned in on the visual broadcast, it is assumed that some of these at least were in New Jersey or other States than New York.

Mr. Miller's remarks were made at a hearing on the Barbour Bill before a Sub-Committee of the Senate Interstate Commerce Committee. The measure, sponsored by a one-time heavyweight boxer, Senator Barbour (R.), of New Jersey, seeks to eliminate the Federal ban on transmission of fight pictures across State lines.

Mr. Miller pointed out that the question of transmission of fight pictures by television heretofore has not arisen, but he added that it probably will unless the Barbour Bill is enacted into law.

"There have been many changes in American life and American opinion since 1912 when Congress enacted the present law making it unlawful to ship in interstate commerce films of prize fights", he said. "Since that time broadcasting has been developed as a medium of public entertainment and as a means of dissemination of news and information. Sports of all kinds have become more popular, and the American people have become more sport minded and interested in sporting events.

"Today many sporting events, such as football games, baseball games, prize fights and horse races are broadcast, and these programs are listened to by large nationwide audiences. No distinction, as far as I know, has been drawn between broadcasting of prize fights and the broadcasting of other sporting events, and all today are an accepted form of entertainment.

"Television is now in the process of being developed, and a number of broadcasters possess the necessary Government licenses to operate television transmission stations. Television receiving sets are now being manufactured, and sold to the public in areas where service is available. The program service in television is being developed, and, unless prohibited by law, will include the transmission of pictorial representation of prize fights.

"Many of such transmissions will be across State lines, and therefore will fall within the category of interstate commerce. Although no court as yet has been called upon to decide whether the Act of 1912 would apply to a telecast of a prize fight, it is conceivable that the question may be raised, and no broadcaster desires to run the risk of violating the law, even though the possibility of his act being a violation may be remote.

"Programming is one of television's most difficult problems, and it must depend upon special events as a major source of material. As prize fights have proved to be very acceptable to the public as broadcast program material, they will undoubtedly prove to be very acceptable for television program material. A prohibition of the use of prize fights for television programs would deprive the industry of very valuable program material, and accomplish no good purpose.

"Speaking on behalf of the broadcasting industry, I desire to urge the passage of Senate Bill 2047, introduced by Senator Barbour of New Jersey."

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FCC CONTINUES GOVERNMENT TELEGRAPH RATES

The Federal Communications Commission this week ordered that the presently effective rates for the handling of United States Government telegraph messages as promulgated by its Order No. 41, effective July 1, 1938, be continued in effect commencing July 1, 1939, pending decision and the further order of the Commission in Docket 5337, which is now before the Commission for decision.

The question of government telegraph rates for the ensuing fiscal year was presented in an extended hearing before an Examiner some time ago. The Commission by its action today extended the existing rates until a decision is reached as a result of that hearing.

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WHEELER DROPS REORGANIZATION PLAN FOR SESSION

The long-dormant McNinch-Wheeler Bill, to establish a three-man Federal Communications Commission, has been dropped definitely for this session, Chairman Wheeler, of the Senate Interstate Commerce Committee, announced this week.

While this move was not unexpected in view of the storm of opposition that followed introduction of the measure, there has been some indication that hearings might be held jointly on the Wheeler and White bills if Congress remains in session until late Summer.

President Roosevelt is understood to have told Senator Wheeler that he does not consider the FCC reorganization essential at this session.

Whether or not an investigation of the Communications Commission will be ordered either by the Senate or House before Congress adjourns is still conjectural, but it appears at this stage that nothing will be done in this direction either.

Critics of the FCC have been rather quiet for the last few months, and the Administration has given no indication that it wishes the radio inquiry to go ahead.

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ORAL ARGUMENT ON RULES HEARD BY COMMISSION

Spokesmen for ten groups of broadcasters appeared before the Federal Communications Commission on Thursday and argued on various provisions of the proposed new FCC rules and regulations. One of the chief points argued was the FCC ban on super-power broadcasting or any regular broadcasting with power in excess of 50 KW.

Louis G. Caldwell, speaking for the Clear Channel Group of stations, made the principal arguments for greater power. The National Association of Regional Broadcast Stations opposed an increase beyond 50 KW.

Other broadcasters that were represented in the oral arguments on the FCC rules were: The National Association of Broadcasters, the National Independent Broadcasters, NBC, CBS, and Stations WOR, WHKC, WQXR, WCBD, WMBI and WCAU.

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McDONALD SAYS AERIALS ARE ON THE WAY OUT

Unsightly antennas and aerials on homes, apartment houses, and hotels will soon be a relic of the past, according to Eugene F. McDonald, Jr., President of the Zenith Radio Corporation, of Chicago.

Addressing Zenith distributors at their annual convention in Chicago, Commander McDonald said:

"The telephone and electric light companies have done their part in endeavoring to conceal unsightly wires and the radio industry is now making its first move to follow suit. Nothing has more distorted our sky line of beautiful residences than the clothes line effect of antennas and aerials. The entire new line of radios introduced at this convention are equipped with the new development, which Zenith first tried out on one model in January of this year, the Wavemagnet, which does away with the necessity of aerials, antennas and ground wires. This new development, the Wavemagnet, also permits a radio to be moved from one part of the house to the other, as the radio is no longer anchored to an antenna. The Wavemagnet also acts as a static eliminator, as it greatly reduces man-made static produced by motors, generators and electrical devices. This new device will also save the public millions of dollars in the cost of antennas and aerials."

Following trade conventions in New York and Chicago, Commander McDonald stated that the orders of distributors attending these conventions for their June and July requirements represented an increase of 164 percent over the orders placed by the same distributors at the same annual conventions last year. This increase of 164 percent was in number of units. There was an increase of 149 percent in dollars over the same conventions last year. This increase is largely accounted for by the introduction of the new radio line of receivers which do not require antennae, aerials or grounds.

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CANADA LOOKS FOR IDEAL RADIO ANNOUNCER

Only four announcers of the Canadian Broadcasting Corporation are considered ideal, and out of 1,500 examined in the last two years only 15 were selected, Maj. Gladstone Murray, the General Manager, recently told the Canadian Parliamentary Radio Committee.

What they were seeking, said Major Murray, was the warmth and life of American announcers without the "high pressure" feature and without the "atmosphere of inevitable tragedy" in every news bulletin. The ideal voice should possess the calm and detachment of good British announcers, without the "olympian air".

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FCC'S EXPANSION TO BE DENIED; FUNDS TO BE ALLOWED

The Federal Communications Commission will have to operate on pretty much the same basis for the next fiscal year as it has during the current year, it appeared this week.

Although Chairman McNinch asked for substantial increases to finance a proposed expansion, particularly in the Press Division, Congress refused to consider his request in the light of a proposed FCC reorganization.

Now, with the fiscal year nearing an end, House leaders said that the FCC will be given funds in the last deficiency measure but on the same basis as last year's appropriations. That would mean a 1940 appropriation of $1,700,000 instead of $2,000,000 as requested by Chairman McNinch.

Representative Woodrum, Chairman of the House Sub-Committee on Deficiency Appropriations, said the FCC fiscal problem will be taken up when hearings are held on estimates for the third deficiency measure, probably early in June. He indicated that members of the Commission may again be invited to appear before the Committee.

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MBS SIGNS ELLIOTT ROOSEVELT AS COMMENTATOR

Elliott Roosevelt, second son of President Roosevelt, whose regular talks heretofore have been heard only in Texas, will broadcast over the Mutual Broadcasting System three times weekly, beginning Saturday, June 3, from 7:15 to 7:30 P.M., EDST, it was announced this week.

Sponsored by the Emreson Radio and Phonograph Corporation, Mr. Roosevelt will be heard over WOR, Newark; WOL, Washington, WAAB, Boston, and 23 stations of the Texas State Network on Tuesdays, Thursdays and Saturdays from 7:15 to 7:30 P.M., EDST.

Because of this new radio contract, Mr. Roosevelt will divide his time between New York and Washington, and the broadcasts will originate from these cities.

It is expected that the program will be extended to coast-to-coast proportions in the near future.

The first broadcast will come from the studios of WOR, 1440 Broadway, New York City.

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G.E. PICKS UP NBC TELEVISION SHOW 130 MILES AWAY

Contrary to theory that television programs can be received only 40 or 50 miles from the transmitting station, General Electric engineers in Schenectady, using a standard console Type G.E. receiver, picked up the complete two-hour program telecast by NBC from the Empire State building recently. Both picture and voice were received exceptionally well, G.E. engineers said, despite the fact the airline distance to the transmitter was 130 miles and the receiver was located approximately 8,000 feet below the "line-of-sight". This is believed a record for reception of a regularly broadcast television program.

A group of engineers headed by C. A. Priest, Chief Radio Engineer of G.E., and W. J. Purcell, Engineer in Charge of WGY, erected a temporary directive antenna, diamond in shape last Friday night. It was suspended from four masts with the plane of a diamond parallel to and about 40 feet above the ground. The antenna occupied a space on the ground of about 300 by 600 feet.

The receiver was mounted in the back of a truck for convenience in selecting a location. Power was obtained from a small gas-driven electric generator. The picture as viewed by the group was 8 by 10 inches.

The program included a ladies' fashion parade, song by a quartet, a dancing act, a dramatic sketch, and a special television edition of the motion picture "Gunga Din". The sound accompanying the picture was received on the same receiver.

The place where the tests were conducted was about two miles from the new highpower television station which General Electric is erecting in the Helderberg mountains, 12 miles from Schenectady. The spot was at a location slightly higher than the station which commanded best view of New York and the south. The station is slightly down the mountainside so that part of the mountain acts as a shield to the south, since this transmitter plans only to cover the capital district.

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The sound distribution installation provided in the League of Nations building in Geneva is claimed to be the largest in Europe. It enables speeches delivered in either the Assembly Chamber or in a small meeting room to be heard in any part of the building, and at the same time they are transmitted to the two radio broadcasting stations of the League, as well as to any foreign stations which may desire to broadcast them.

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COMMERCIAL ANNOUNCEMENT RULING IS CLARIFIED

Replying to an inquiry of the National Association of Broadcasters, the Federal Communications Commission this week explained that commercial announcements may be expressed in any form so long as the announcer states the program is sponsored and gives the sponsor's name.

The NAB had asked for clarification of an order recently issued by the FCC warning broadcasters that all sponsored programs must be so identified.

T. J. Slowie, FCC Secretary, writing to the NAB, said:

"The statute does not specify the exact language of the required announcement. You are informed that the Commission regards an announcement that a particular program is sponsored as in substantial compliance with Section 317 when the name of the sponsor is given."

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A.P. LIFTS BAN ON SPONSORSHIP OF ITS NEWS

The Associated Press' Board of Directors last week adopted the recommendation of members of the Association and lifted its previous ban on the use of A.P. news on sponsored broadcasts.

The Directors authorized A.P. members to broadcast its news, either on a sustaining or commercial program, under a series of strict regulations.

The Committee's action provides for an additional assessment of 5% of the paper's basic assessment if A.P. news is used on sustaining programs and for a 25% increase if the news is sponsored. If the news is broadcast without sponsorship, A.P. must be credited, but "sponsored programs shall be broadcast by the member in the name of his newspaper and the A.P. shall not be identified therewith".

Network broadcasting of A.P. news is prohibited by a clause in the Committee's resolution limiting broadcasting to the "member's city of publication". In cities where one paper has a day A.P. wire and another paper a night wire, broadcasts sold by each paper must be confined to its hours of publication unless the papers themselves work out some other arrangement.

All commitments for broadcasting A.P. news are subject to the rules and regulations of A.P. and for the present all commitments shall be terminable on three months' notice, so that members can conform to any changes found to be necessary in these A.P. regulations. Resolution also specifically charges members with the responsibility for continuing to "guard the integrity of the news".

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NETWORK TIMES SALES $117,780,000 IN 1938

Net time sales of the three major networks - NBC, CBS, and MBS - amounted to $117,780,000, according to calculations of the Federal Communications Commission. After the deduction of agency and representative commissions, the FCC report divulged, the aggregate income was $100,385,018.

The figures were produced last week to supplement voluminous data already produced in connection with the chain-monopoly investigation.

These figures, based on network and station questionnaire returns to the FCC, cover the sale of time only, and do not include revenues from the sale of talent or other income items. It was stated by the Commission witness, deQuincy V. Sutton, head accountant, that complete tables similar to those released at the super-power hearing of last June 6, 1938, were in process of compilation and would probably be ready in mid-June.

The FCC's figures did not purport to cover the broadcasting industry as a whole since income reports of approximately 40 stations and of the regional networks were not included. It was informally estimated that their figures would add perhaps $3,500,000 to the aggregate of net time sales and $2,900,000 after commissions.

The $117,780,515 figure of the FCC compared with $115,822,248 for 629 stations in 1937, while the $100,335,018 figure compared with $100,512,860 for 1937. This would indicate that in 1938 there was a decrease in the actual dollar income of the stations and networks covered under 1937.

The total net sales shown by the FCC for 1938 included $35,455,510 retained by the networks from network time sales after allowing discounts (but before allowing $8,414,105 in commissions piad) and after making payments to stations and other networks. The networks paid out to affiliated stations $18,481,773, which included $5,347,388 to their 23 owned and managed stations.

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TRADE NOTES

George H. Frey, NBC network salesman, has been appointed Sales Service Manager of the Eastern Division, effective immediately. Reporting to Roy C. Witmer, VicePresident in Charge of Sales, he will assume the duties of the Assistant Eastern Sales Manager, until recently performed by I. E. Showerman, now Eastern Sales Manager.

New lines of radios were displayed in Bridgeport, Conn., this week by the General Electric Company at a meeting of the company's district sales managers and radio representatives from all parts of the country. Included are twelve table models, four consoles, two radio-phonograph consoles and one table radio-phonograph. A self-contained antenna circuit with a metal screen shield, eliminating aerial and ground connections and reducing static, which was introduced last year, has been extended to most of the new sets.

Summer business now on the books for CBS shows a marked advance over all previous Summers. Columbia clients will broadcast fully 45% more program-hours this Summer than last, and will utilize over 60% more station facilities, according to a CBS release. Last year 54 programs were broadcast weekly during the Summer months; this year there will be 67. Last year 20 programs took Summer vacations from the network; this year only twelve are planning to suspend, with eight of the twelve already scheduling a definite return to Columbia after their hiatus.

For the first time representatives of the broadcasting industry were invited to President Roosevelt's annual White House reception for Washington newspaper men on Wednesday night. Among those present were Kenneth Berkeley and Carleton Smith of NBC-WRC-WMAL, and Miss Ann Gillis, of CBS.

David Sarnoff, President of the Radio Corporation of America, has announced that a quarterly dividend on the outstanding shares of the Corporation's $3.50 Cumulative Convertible First Preferred stock, and a quarterly dividend on the outstanding shares of "B" Preferred stock, were declared at the regular meeting of the Board of Directors last week. The dividend on the First Preferred stock is 87-1/2¢ per share, and the dividend on the "B" Preferred stock is $1.25 per share. These dividends are for the period from April 1, 1939, to June 30, 1939, and will be paid on July 1, 1939, to stockholders of record at the close of business June 9, 1939.

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PUBLISHERS' ORGAN PEEVED AT F.D.R. RADIO PAT

"President Roosevelt has again demonstrated his proclivity for taking a dig at newspapers, this time in a radio electrical transcription sponsored by the National Emergency Council and designed for use by more than 125 stations", Editor & Publisher comments editorially in a recent issue.

"Starting off a series of broadcasts in which the entire Cabinet will be heard, the President said, among some more pleasant things: 'It should be possible, through broadcasts, to correct the kind of misinformation that is sometimes given currency for one reason or another. In some communities it is the unhappy fact that only through the radio is it possible to overtake loudly proclaimed untruths or greatly exaggerated half-truths. While, to be sure, the people have learned to discriminate pretty well between sober facts and exciting fiction, they have a right to expect their Government to keep them supplied with the sober facts in every possible way.'

"The best answer, we think, was made by Westbrook Pegler, who said:

"'I go along with the President in that, but insist that he himself spoke a half-truth there, because he knows that no single paper or chain of papers ever had half the influence in this country that Charles E. Coughlin possessed when he was on top and that vicious liars who deal in intruth and innuendo enjoy a degree of license on the air which is unthinkable in the papers and equalled only in the halls of Congress, where every member has a license to lie and slander. . . .

"'Is it fair to ask whether Mr. Roosevelt or any of his bureau chiefs would publish, on the air or in print, any material prepared by any of the New Deal journalists which presented "sober facts" in an uncomplimentary way, and how soon that free soul would be canned for cause?'"

"We are waiting hopefully for the day when the President finds it possible to allude to the press without seeking to belittle it in the mind of the public."

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CBS ADULT EDUCATION BOARD NOTES PROGRESS

Marked progress by radio in the field of education during the past year was noted by the Columbia Broadcasting System Adult Education Board at its annual meeting in New York recently.

"There is reason for congratulation in the reaffirmation of the fact that millions of Americans have a taste for serious programs", the Board said in the report which it adopted. "Both audiences and program makers are changing because the broadcasters are tirelessly searching for new ideas, and listeners are learning an all too familiar lesson, that trivialities wear out, even as entertainment."

Sterling Fisher, CBS Director of Education, pointed out in his report that a great gain was registered in the number of Columbia's adult education programs and time devoted to them in 1938 as compared with 1937. Totals were 897½ hours and 3,619 broadcasts in 1937 and 1,225¼ hours and 4,636 broadcasts in 1938. Some of the principal classifications and hours devoted to them follow:

	1937	1938
Science	37	60¼
Drama	117	153
History and Travel	43¾	73
Religious	109½	116
Public Affairs (at home)	40	54½
Public Affairs (abroad)	11¾	78¾
Labor and Industry	34¾	35
Current Events	297¼	347
General	33½	51¾

Further increases were recorded for the first quarter of 1939 as compared with the same period for 1938, Mr. Fisher said. Under the general heading of education, CBS broadcast 731 programs totaling more than 328½ hours during January, February and March, 1939. This compares with 645 programs, adding up to 286 hours, in the first quarter of 1938. Religious broadcasts rose sharply from 59, consuming 24½ hours, to 108, totaling almost 40 hours. News and public events programs, which totaled 250, for 36¾ hours, increased to 287, for over 63 hours. Broadcasts touching on agriculture rose sharply from 4, totaling one hour, to 55, consuming 20½ hours.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
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No. 1130

June 6, 1939

HEARING LIKELY AS FCC S-W ORDER IS ASSAILED

A public hearing on the recent regulations promulgated by the Federal Communications Commission with respect to the operation of international radio broadcasting stations in this country appeared likely this week as protests came from broadcasters and Capitol Hill.

The storm center of the regulations is the provision which stipulates that programs carried by the short-wave stations must reflect "the culture of this country" and promote "international good will, understanding, and cooperation".

The criticism, which had been growing in broadcasting circles, burst forth on Capitol Hill Friday when Representative McLeod (R.), of Michigan, attacked the regulations as a form of censorship. He told the House that President Roosevelt should demand the resignation of the entire membership of the Commission.

A spokesman for the FCC explained subsequently that the regulations had been approved by the State Department before being issued and that the language in question is almost identical with that used in a resolution adopted at the seventh International Conference of American States at Montevideo in 1933.

Meanwhile, it was learned, that the National Association of Broadcasters has written to ask the Commission to hold a public hearing on the matter.

Possibility that the rule may ultimately lead to international diplomatic entanglements which may become embarrassing also has been raised. It is pointed out that when statements in the press cause protests from foreign governments, these can be met with the reply that the press in this country is a free one and the Government has no way of controlling it. Regrets are expressed and the incident is closed.

On the other hand, it is argued, if some remark is made or drama broadcast over an international station, and it is held offensive by a foreign government and results in a protest, the Commission, by its program rule, has precluded the State Department from making a statement that the Government has no control over such matter, because it has, in effect, assumed jurisdiction by the new rule.

The rule was promulgated without giving the industry or others an opportunity to be heard. However, the matter was deliberated seriously by the Commission and its action was backed

by the opinion of its Legal Department that such language was not prohibited by the Radio Act and did not involve censorship.

When the matter was first considered by the FCC, Commissioner T.A.M. Craven voted against it. Before it was finally adopted the matter was referred to the State Department, and when it gave its approval to the language the Commission approval was unanimous.

"There is no intention whatsoever on the part of any Commission official to even suggest the scrutiny of individual programs prior to their release by the broadcast stations", an FCC spokesman said.

Representative McLeod, in his speech on the House floor, said, in part:

"Mr. Chairman, a few days ago the Federal Communications Commission issued regulations governing the broadcasting of international programs by radio stations in the United States which should alarm Congress, the press, and every person in this country.

"These regulations order radio stations to broadcast only international progress of good will. In effect it gives to the Commission the power to tell radio stations what they shall or shall not say over the radio. The Commission uses the term 'good will', which signifies that something has to be defined or determined; in other words, censorship of the radio and censorship of speech.

"It has long been apparent that the Commission has sought greater control of the air waves, but such a brazen attempt to say what shall or shall not be broadcast - in effect censorship of radio programs - most certainly was not anticipated.

"When the FCC attempts to tell the broadcaster what programs he shall broadcast internationally, it knows that if it can get by with this dictation there is just one short step remaining to the control of standard broadcasts or domestic programs, and when that hurdle is cleared radio is under the domination of bureaucracy and ceases to be free. . . . . .

"When the Federal Communications Commission was created by this body it was not intended that censorship was to be part of the Commission's functions. The primary duties of the Commission are to prevent confusion in the air by allocation of wave lengths and to guard against libel or indecency. But here we have a creation of Congress, suddenly turned a Frankenstein, ignoring the will of Congress, and determining just what American radio stations shall or shall not say during international broadcasts. To carry out their purposes, violation of this fascistic principle will warrant revocation of a radio station's license and thereby force it out of business.

"Gentlemen, I cannot say to you too strongly that without freedom of opinions, thoughts, and ideas this Nation has no right to entertain any hope for the survival of Democratic principles. This regulation is but a small cancer now, but unless it is cut out at the start it will spread like any unattended malignant growth, until finally free speech will be throttled, the press will be a mouthpiece for the few, and radios will blare forth only the ideas of the FCC.

"Gentlemen, no matter how you view this regulation, you can reach no other conclusion than that this is the most flagrant attempt yet made to stifle and kill the right of free speech. In all the history of our Nation no more audacious or tyrannical step has been taken to destroy a vested right. If not corrected immediately, this regulation can mean the beginning of a Fascist censorship of the press as well as of the radio.

"The Supreme Court, speaking through Chief Justice Hughes, has made it clear in a unanimous decision that the scope of Federal regulation over radio relates only to the allocation of facilities. Congress, moreover, in section 326 of the 1934 Federal Communications Act, has specifically prohibited such censorship by the Commission in the following language:

> "'Nothing in this Act shall be understood or construed to give the Commission the power of censorship of the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication. No person within the jurisdiction of the United States shall utter any obscene, indecent, or profane language by means of radio communication.'

"The danger of the unadulterated censorship as imposed by the Commission only last week must be apparent to all of you. It is a real threat against the newspaper and the freedom of the individual. It is something abhorrent to every American to whom freedom of speech is a precious heritage.

"This action of the Radio Commission is undemocratic control of radio, and we have only to look at some of the countries of the Old World where broadcasting has been converted into the most powerful weapon of dictatorship to fully appreciate the significance of such control.

"Heretofore, radio has taken its place with freedom of religion, speech, and the press, but this action completely destroys that freedom and makes it the slave of a bureaucratic government.

"Mr. Chairman, the amazing predicament in which we find ourselves today calls for immediate remedial action. The President of the United States, in view of this serious situation, should forthwith demand the resignation of the entire Commission."

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NAB ASKS REPEAL OF FCC INTERNATIONAL RULE

Asking that the recently-promulgated regulation proscribing the type of programs to be carried by the privately-owned U. S. international radio stations be rescinded, the National Association of Broadcasters this week addressed an appeal for a hearing to the Federal Communications Commission.

The regulation, Neville Miller, President of the NAB, said in his letter to Chairman Frank R. McNinch, infringes upon freedom of speech, is contrary to the Nation's foreign policy, and is an arbitrary assumption of power not allowed by the Communications Act.

The text of his letter follows:

"On May 23, 1939, the Commission promulgated new rules and regulations for the operation of international broadcast stations. These rules included new and unprecedented restrictions and requirements as to program content and were issued without prior public hearing. Of the nine licensees operating fourteen international broadcast stations, the majority are members of the National Association of Broadcasters. This organization has a committee for the study and coordination of international broadcasting and is now accumulating more comprehensive information in this field than has been available. Meanwhile, however, these new rules and regulations precipitate certain fundamental questions which are a matter of vital concern to broadcasting generally and to the entire American public. It is to these more fundamental matters that we address ourselves.

"Paragraph (a) of Section 42.03 of the new regulations provides that 'A licensee of an international broadcast station shall render only an international broadcast service which will reflect the culture of this country and which will promote international goodwill, understanding and cooperation'. It is submitted that the question as to whether a specific program reflects the culture of this country or promotes, at any given moment, international goodwill, understanding and cooperation, is a matter upon which there may be sharp differences of opinion. A literal interpretation of this regulation would, for example, require a licensee to suppress spokesmen for minority groups if either the licensee or the Commission thought their views would not promote 'international goodwill, understanding and cooperation'. Freedom of speech as an integral part of the culture of this country not only is a cherished tradition, but a living reality. Any requirement that international broadcast stations suppress a speaker because his remarks might not promote 'international goodwill, understanding and cooperation' would, therefore, seem to be in conflict with the requirement that the service rendered by an international broadcast station 'reflect the culture of this country'.

"We are advised by several licensees of international broadcast stations that foreign listeners rely upon stations in the United States as a source for unbiased and uncensored news of the world. This reliance is based upon the fact that these listeners know that in the United States there is no governmental supervision or control over the matter to be broadcast. In many other countries, broadcasting is an instrument of the government and listeners to their stations are aware of the fact that their programs, including news reports and information on current events, are colored to fit the philosophy and views of the government. The consequent distortion of news into self serving propaganda has evoked a growing resentment toward the countries from which it emanates, and such resentment has reacted to enhance foreign respect for the present impartial dissemination of programs from the United States. We, therefore, feel that the confidence that has been developed in the independent operations of American short-wave stations will be destroyed when it becomes known that an agency of the government of the United States has laid down requirements to control the program content of these stations.

"Moreover, it is respectfully submitted that the existence of this regulation (42.03 - a) needlessly places this government in a position which we believe to be contrary to our traditional policy in the field of foreign relations. There are abundant examples of instances in which some citizen of the United States has made certain utterances by radio or through the press which have aroused the antagonism of the representatives of foreign powers. It has been the customary reply of our State Department to the protests by offended powers that this country is one in which freedom of speech is an actuality and the government has no power to abridge this fundamental right. The regulation which we are discussing definitely implies official responsibility for all matter broadcast over international stations. This we believe is unsound policy and incompatible with the operation of broadcast stations by private enterprise in a democracy. It would seem equally appropriate to require government supervision and censorship of all matter contained in American newspapers circulated abroad which use the facilities of the American Merchant Marine or the second class mail for delivery. This analogy, we believe, clearly demonstrates the errors and the immediate dangers of the policy which this new regulation embodies.

"We likewise desire to invite your attention to paragraph (b) of Section 42.03 which places further restrictions upon program content to the extent that it limits and prescribes the type of commercial advertisement which can be made, the type of commodity which can be advertised and then excludes all commercial or sponsored programs that 'are not consistent with the purpose or intent of this section'. Such regulations are neither desirable nor necessary nor susceptible to sufficient clarity of interpretation or agreement as to meaning to permit them to be practically applied. If international broadcasting is to be continued as an instrument of private enterprise, we feel that the regulatory authority should confine its functions to questions of technical efficiency, allocation and general performance in the public interest.

"It seems appropriate to emphasize that the record of licensees in the international broadcast field has been one of greatly increasing service to foreign listeners. During the past two years, there has been a marked development of facilities and personnel by the various private licensees. Their programs are being exclusively designed for international audiences. The responses that have been received indicate that foreign listeners appreciate the fact that these programs, reflecting as they do, a living pattern of our democracy, have not undertaken to propagandize any political ideology. This should be continued, because the most effective way to develop and foster international goodwill by the United States is to avoid copying the tactics of totalitarian governments who supervise and direct all broadcasting.

"Finally, we have been unable to find a legal basis for the regulations which we have discussed. It need only be pointed out that the authority for all powers exercised by the Commission must be found in the Act itself and that such authority must be expressly conferred or follow by necessary implication from powers expressly conferred. In this case, we can find neither. While the Communications Act of 1934 clothes theCommission with extremely broad powers on matters of allocation and the technical and physical operations of broadcast stations, we can find nothing in the Act or in the several decisions of the court which have been based upon this Act to support this character of regulation. We have been unable to find any provision of the Act or decision of the court which would authorize the Commission to pass upon the content of programs broadcast either directly by prior examination of the program material or indirectly by imposing requirements which will have the same effect.

"The Federal Communications Act of 1934 is silent on the subject of program content. Not only does this absence of language support our conclusions that the Commission is without authority to regulate program content as such, whether in the international or domestic broadcasting field, but it should be particularly noted that the statutes expressly prohibit censorship in any form. We desire to emphasize the language in Section 326, which states:

> "'Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, <u>and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication</u>.'

If the Commission has the authority to promulgate this character of regulation in the international field, it must have equal authority with respect to domestic broadcastin, as the same provisions of the law govern both classifications. If licensees of international broadcast stations can be required to restrict their programs to any regulatory authority's concept of American culture, it would seem clear that the licensees of domestic broadcasting

stations could be required to limit their programs to some 'official' definition of culture, education and entertainment. That this would constitute a violent transgression of the basic principles of American democracy is self-evident We further submit that the proposed regulations would establish the precedent for such transgression and surely no such dangerous prerogative is contemplated by the Communications Act of 1934 and is in direct conflict with Section 326 of the Act which expressly prohibits any type or character of censorship or any condition or regulation 'which shall interfere with the right of free speech by means of radio communication'.

"In view of the importance of the subject itself and in further view of the necessary implications to which the adoption of such regulations give rise, we request that the Commission follow the same course selected by it in the adoption and promulgation of rules and regulations governing the domestic operation of broadcast stations and that it conduct hearings on these regulations. We further request that the Commission reconsider its action of May 23, 1939, and postpone final action until such time as an opportunity may be given for the conduct of a hearing upon the questions above referred to and others which are necessarily involved in the consideration of this subject."

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NEW RADIO GALLERY GETS WHITE HOUSE BID

Members of the new Congressional Radio Gallery - wherein those connected with radio have the same privileges in Congress as the Press Gallery - were invited for the first time to the reception President and Mrs. Roosevelt give each year to members of the press. Although it was one of the hottest nights of the year, the occasion proved enjoyable because of the fact that in addition to the White House proper, the beautiful gardens and terraces were thrown open to the guests. A feature of the evening was a Virginia Reel participated in by Mrs. Roosevelt.

Among those present representing the Radio Gallery were Harry C. Butcher, Vice-President of the Columbia Broadcasting System, and Mrs. Butcher; Kenneth H. Berkeley, Manager of the National Broadcasting Company in Washington, and Mrs. Berkeley; Miss Anne Gillis, of Columbia, Mr. and Mrs. John Charles Daly, of Columbia; Mr. and Mrs. Fulton Lewis, Jr., of the Mutual Broadcasting Corporation; Rex Lampman and William McAndrew of NBC, and William J. Slocum, Jr., of Columbia. Carlton Smith, presidential announcer of NBC, and Mrs. Smith also attended. Mr. Smith and Bob Trout, Columbia presidential announcer, however, have long been on the White House invitation list.

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McDONALD RAPS TELEVISION IN ANNUAL REPORT

Reiterating his view that the sale of television receivers to the public is premature, Commdr. Eugene F. McDonald,Jr. President of the Zenith Radio Corporation, this week explained the company's position to its stockholders in an annual report this week.

"The management continues to believe that television is not yet ready for the public and refuses to be stampeded into the premature production of television receivers for sale to the public. We are manufacturing television receivers, which are being loaned to experienced observers, not sold. Any television receivers sold at this time may become obsolete shortly. Your company is ready but television is not.

"The Federal Communications Commission on May 22 refused to approve or disapprove the standards for television proposed by the Radio Manufacturers' Association. This action confirms the stand which the corporation has taken against the premature introduction of television.

"The management's definite stand on the matter of television has greatly increased the company's goodwill with radio dealers and the trade in general. The sales, even in the New York area, of television have been negligible. Television one day will be a great industry, but that day is not this year.

"The economic problems of television are far greater than the technical problems. One of the most important economic problems resolves itself into a vicious triangle. First, no radio manufacturer or broadcasting organization can afford the expense of supplying adequate television programs for a sufficient length of time to obtain circulation. Second, the advertisers will not contribute to and pay for the programs until circulation is acquired. Third, the public, which is the circulation, will not buy television receivers until they are assured of satisfactory and continued programs."

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20,000 SAW TELEVISED FIGHT, NBC SAYS

The National Broadcasting Co. has estimated that approximately 20,000 persons watched and heard the first television of a major outdoor heavyweight batter Thursday night when Lou Nova won a technical knockout over Max Baer.

A portable television transmitter set up at the edge of the press section in Yankee Stadium televised the action over Station W2XBS. Reception throughout the New York area was described as clear and bright, despite the absence of special lighting at the ringside. Baer's thick mop of hair, tumbling about as Nova jabbed his face was easily discernable on the 8 x 10 inch screens. Blows hammered in by both likewise came across distinctly.

NBC's observers commented:

"Television has amply demonstrated its power to capture the fascination inherent in boxing."

Not only was the main go put into the picture but also some of the preliminaries.

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TRADE NOTES

Final public hearings before the Department of Labor's Division of Public Contracts, in the radio minimum wage procedure under the Walsh-Healey Act, relating to government purchases of radio, have been scheduled by Administrator Walling for July 6th.

The FCC hearing on Mayor LaGuardia's petition to amend the Commission's rules relative to the rebroadcasting of foreign programs has been posponed on request of the New York executive until September 11th.

Continuation of all "nuisance" taxes, including the 5 percent radio tax, is the administration program before Congress. Hope for eventual repeal of the radio tax, however, at some distant time, was indicated in the administration program presented by Secretary of the Treasury Morgenthau to the House Ways and Means Committee on May 27th, and the Radio Manufacturers' Association will continue its efforts toward repeal or reduction of the tax, although no hearings on the "nuisance" taxes will be held by the House Committee.

Edward J. Kelly, Assistant Manager of Manufacturing for the RCA Manufacturing Company, has been appointed Manager of Radio and Record Manufacturing and of Production Engineering activities at the company's Camden plant. Mr. Kelly has been with RCA for twenty-three years.

E. T. Hamilton, whose association with the company dates back thirty years, has been appointed Manager of all Warehousing and Shipping activities at Camden. He continues as Manager of Materials Control.

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WINTERBOTTOM HONORED FOR 25 YEARS' SERVICE

W. A. Winterbottom, Vice President and General Manager of R.C.A. Communications, Inc., received last week a gold watch as a gift from friends and associates at a dinner at the Downtown Athletic Club in New York City. The ceremony commemorated his twenty-five years of service with the company. The presentation was made by Edward J. Nally, Director of the Radio Corporation of America, who gave Mr. Winterbottom his start with R.C.A. Communications.

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NEW DEVICE TO FLASH GREETINGS IN PALEY CEREMONY

When Wilson E. Burgess, selected for outstanding amateur radio achievement during 1938, steps up to the microphone at the Hotel Pierre, New York City, tonight (June 6) to receive the William S. Paley Amateur Radio Award, he will see greetings of fellow "hams" from all over the United States flashed on a four-foot screen - thanks to a device, recently developed under supervision of Walter S. Lemmon of Greenwich, Connecticut, and head of the World Wide Broadcasting Foundation.

It is the new Radiotype, a revolutionary invention in the communications field. As yet little known to the general public, it operates much in the manner of an electric typewriter, except that it automatically receives its impulses over the air. Messages transmitted on ultra high frequency waves are recorded on the machine at breath-taking speed, and flashed simultaneously in magnified letters on a nearby screen.

"Hams" from Maine to Los Angeles have already been notified that the device is going into operation June 6th, and that congratulations are in order for Mr. Burgess. They cannot communicate with the Hotel Pierre direct, but have been asked to send in their good wishes to the American Radio Relay League's short-wave station, W2DKJ/2, set up in the Communications Building at the New York World's Fair. From this point, an operator will write the messages on a transmitting Radiotype, for which they will leap the ether to a receiving Radiotype in the hotel dining room.

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NBC BILLINGS FOR MAY ARE UP 8.4%

Continuing their rise for the eighteenth consecutive month and registering an all-time high for May advertisers' expenditures on National Broadcasting Company networks in May totaled $3,702,102, an increase of 8.4 percent over May, 1938. Total for the Red and Blue Networks in May, 1938, was $3,414,200. The May billings also showed a contra-seasonal gain of 4.0 percent over April, 1939, when the total was $3,560,984.

NBC's cumulative billings for the first five months of 1939 totaled $19,216,533, up 7.8 percent over the previous record of $17,823,105 set for the same period of 1938.

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MUTUAL BILLINGS FOR MAY $234,764

For 13 consecutive months, the Mutual Broadcasting System billings have shown an increase over the corresponding month of the previous year, it was announced today.

The figures released for May, 1939, totalled $234,764 an increase of 20.9 percent over the May, 1938, billings which were $194,201.

Billings for the first five months of 1939 totalled $1,396,049, an increase of 22.5 percent over the same period in 1938, which totalled $1,139,767.

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CBS REACHES ALL-TIME HIGH WITH MAY BILLINGS

Gross billings on the Columbia Network for May surpassed all previous highs with a total of $3,063,329 - 25.4% better than May, 1938. Once again CBS booked more business than any other network. The cumulative five-month total for 1939 stands at $14,058,638, a gain of 4.4% over the record-breaking period of 1938. Only once before - in March, 1938 - have billings on Columbia passed the three-million mark; at that time the gross was $3,034,317.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

JUN 10 1939

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McNINCH TO STAY AT FCC; POWER POST FILLED

Chairman Frank R. McNinch will remain as Chairman of the Federal Communications Commission indefinitely, it was indicated this week as President Roosevelt filled his former post as head of the Federal Power Commission.

In an exchange of letters, which the White House released, it was revealed that Mr. McNinch had called attention to the fact that his appointment to the Power Commission would expire June 22nd. Mr. McNinch was "lent" to the FCC a year and a half ago with instructions "to clean house". He asked that he no longer be considered further in connection with the Power Commission post.

President Roosevelt sent to the Senate yesterday the name of Leland Olds, of New York, to succeed Mr. McNinch on the Power Commission. Mr. Olds is Secretary of the New York State Power Commission.

One report on Capitol Hill, however, was that certain Senators had threatened to block Mr. McNinch's confirmation if he were reappointed to the Federal Power Commission.

Rumors continued to persist, moreover, that the doughty North Carolinian may retire shortly because of ill health or be transferred to a cooler political spot in the Government than the Chairmanship of the FCC.

The exchange of letters between Mr. McNinch and the President follows:

"June 7, 1939

"My dear Mr. President,

You will recall that some time ago we discussed your reappointment of me to the Federal Power Commission, from which I had resigned to take up the work as Chairman of the Federal Communications Commission, at such time as my work at the latter Commission had been completed. I then expressed doubt as to whether or not I would feel like undertaking the responsibility of another five year term on the Federal Power Commission. You were gracious enough to leave this matter for my further consideration.

Now that the term of office on the Federal Power Commission expires June 22, 1939, I deem it my duty to call this fact to your attention and to advise you that, after most careful consideration, I must regretfully tell you that I hope you will not further consider me in that connection.

"With assurances of my appreciation for your generous consideration and of my continuing high regard of and loyalty to you, I am,

"Faithfully yours,

(Signed) Frank R. McNinch"

"June 8, 1939

"Dear Frank:

Please accept my thanks for your thoughtful note of June seventh, reminding me that the term for which you were appointed as a member of the Federal Power Commission expires on June twenty-second and that you do not feel like returning to the responsibilities which a reappointment would entail.

I received word of your decision with less misgiving because it means that you can continue your service as Chairman of the Federal Communications Commission and devote all of your time to the exacting duties of that difficult post. I cannot, however, allow this opportunity to pass without expressing my sincere thanks for the splendid work you did as Chairman of the Federal Power Commission. Your industry, your skill in the elucidation of complex problems and your faithful stewardship of the public interest at all times, have made your services invaluable. You will be interested to know that I have decided to nominate Mr. Leland Olds of New York as your successor.

I do hope you will have a care for your health and with all good wishes remain, as always,

Very sincerely yours,

(Signed) Franklin D. Roosevelt"

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The new broadcasting station known as "Radio-Paris" raised at Allouis in the Center of France, and which made its first broadcasts during May, has a power of 450,000 watts. However, it will only be able to use this power during daytime, since it has been decided that in the evening after 7 o'clock - that is, after nightfall - it will be prohibited to broadcast at more than 200,000 watts.

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BAN ON UNAUTHORIZED RECORDING PROPOSED

Amendment of the Communications Act to prohibit the recording of any music or other radio programs without consent in writing of the performers was proposed in a bill introduced this week by Representative McGranery (D.), of Pennsylvania.

The text of his proposal follows:

"Sec. 506. It is hereby declared to be unlawful for any person, without the consent in writing of the performer or performers of said music or other program material, (a) to record or otherwise mechanically reproduce or cause to be recorded or otherwise mechanically reproduced within the United States, for profit or gain, any music or other program material of any kind transmitted in any manner mentioned or described in section 2 (a); or (b) to offer for sale, sell, lease, or license, or to have in his possession for the purpose of sale, lease, or license, any record or other mechanical reproduction of music or other program material of any kind transmitted as aforesaid. This Act is not to apply to any case of recording for private, personal, civic, or political use, or to any recording of any address or talk on subjects of a public nature. Any person violating this section shall, upon convinction thereof, be punished as provided in section 501; and all records or other mechanical reproductions made in violation of this section may be seized on warrant issued by or under the direction of the Attorney General of the United States, and the appropriate district court of the United States or any judge thereof may on proper cause shown order the destruction of such records or other mechanical reproductions."

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RADIO GALLERY TO GET A SUPERINTENDENT

President Roosevelt this week transmitted to Congress a budgetary recommendation that $2,700 be appropriated for the job of Radio Gallery Superintendent to correspond to the Senate and House Press Gallery positions.

Facilities for radio news reporters and commentators already have been provided in the Capitol and Senate and House Galleries.

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CURB ON FCC SEEN IF LOGAN BILL BECOMES LAW

While not directed specifically at the Federal Communications Commission, a bill sponsored by Senator Logan (D.), of Kentucky, will have the effect of curbing the Commission's powers by making all decisions subject to court appeal is being considered seriously in the Senate.

The Logan Bill has been reported favorably by the Senate Judiciary Committee and is on the Senate calendar. A companion bill introduced by Representative Walter (D.), of Pennsylvania, has been approved by a sub-committee of the House Judiciary Committee.

Backed by the legal profession, the bill is designed to restrict "the arrogant assumption of power" by Government Bureaus and independent Commissions.

As the bills specifically refer to regulations, orders, and interpretations of statutes, the FCC would be immediately affected. While the FCC generally has afforded the industry opportunities to present views before adopting rules or procedural regulations, the legislation would have the effect of re-establishing the trial examiner system which was abolished in the interest of "efficiency" last Fall and would broaden the judicial review features - now subject of controversy - of the Communications Act.

The broad definitions in the statute mean that every action of the FCC would be subject to review by the courts, with aggrieved applicants permitted to go to the nearest appellate court, not necessarily to the D. C. Court of Appeals, in seeking relief from an unfavorable decision. Under the Logan Bill, any party to a proceeding has the right of appeal, and a "controversy" specifically includes, "any refusal to grant any license, permit, or other privilege".

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McNINCH EXPECTED BACK AT OFFICE NEXT WEEK

Chairman Frank R. McNinch, who has been resting and recuperating from a severe illness for the last several weeks, is scheduled to return to his office next week, it was said at the Federal Communications Commission.

It is expected that the FCC will take up the protests against its ruling with regard to programs on international broadcast stations shortly after Mr. McNinch resumes his duties.

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PRELIMINARY BOUT SCHEDULED IN PRESS SCRAP

Arguments scheduled for June 26 in a case involving the right of newspapers to own and operate radio stations are expected to open a series of fights which may be carried to the courts as the Federal Communications Commission tackles the issue it has long evaded.

The preliminary hearing was scheduled by the FCC after attorneys for the Allentown (Pa.) stations involved had filed a motion to call off the scheduled hearing on the proposal to merge WCBA and WSAN under control of the Allentown Call.

In the formal notice of the main hearing the FCC set forth three issues, all dealing with public interest aspects. The first specified determination of any benefit to the public by virtue of the consolidation of the stations, the second whether any adverse affect upon the public would result from the consolidation, and the third:

"To determine whether the assignment of the licenses for the two separate broadcast stations (WSAN and WCBA) to Lehigh Valley Broadcasting Co. would serve the public interest in view of the fact that Lehigh Valley Broadcasting Co. is controlled by the Allentown Call Publishing Co., which publishes the Allentown Call and which owns all of the stock of the Chronicle & News Publishing Co., which publishes the Allentown Chronicle & News.

The FCC action last March in designating the transfer applications for hearing provoked a controversy reviving the strife over newspaper-ownership of stations, particularly in cases where a "local monopoly in public opinion" might result. The matter was designated for hearing in Allentown, but no date has been set.

At the time the FCC designated the Allentown applications for hearing, Commissioner T.A.M. Craven issued a strong minority opinion in which he advocated a general hearing on newspaper-ownership rather than a test case involving a relatively small city. He held this did not provide a satisfactory setting for a decision on the broad question which directly affects some 240 licensees of existing stations throughout the country affiliated with newspapers.

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"A Bird's Eye View" of the U. S. radio families has been prepared by the National Broadcasting Company in attractive and convenient pamphlet form. It lists the number of set-owning families in various classifications, such as rural, urban, by State, etc.

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6/9/39

CLEARER TELEVISION RECEPTION SEEN WITH NEW RCA TUBE

A new television pick-up tube that foreshadows clearer reception was described this week before the Institute of Radio Engineers in New York City by Harley A. Iams and Albert Rose of the RCA Laboratories at Harrison, N. J. The new device is regarded by scientists as one of the greatest single improvements in television since the invention of the Iconoscope or "television eye". It is applicable to transmission, and therefore necessitates no change in existing receivers to accomplish the improvement.

Present television pick-up technique is to focus the image to be transmitted on a plate whose surface consists of hundreds of thousands of tiny photo-electric cells. Light and dark areas of the scene thrown upon it are translated into electric charges, according to the scene televised. A beam of electrons scans the plate, line-by-line, 441 times to a single picture, and rapidly enough to produce 30 pictures every second. The varying electric impulses thus "wiped off" the plate are amplified and transmitted to the receivers, where they are again re-converted into a visible image.

Up to now, it has been necessary to employ an electron beam of strong force to perform the job. This has caused splashes of electrons from the plate, that have limited the possibilities of clearness in the received pictures. By analogy, a garden hose, representing the electron beam, with strong force directed against successive areas of the side of a garage, corresponding to the plate, would throw back a spray that would deposit some water on adjacent parts of the building. When such a spray is composed of electrons instead of drops of water, and when those electrons fall on areas with desired electric charges, they disturb such charges, and reduce the efficiency of the final result.

The new television pick-up tube described by Rose and Iams embodies a principle that is comparable to playing a hose on a garage with such precision that the stream just reaches the wall, allowing little or no splash. To do this they obviously could not have the "gardner" stand in one spot, with a fixed adjustment on the hose nozzle. So they contrived to have their electrical gardner move back and forth, up and down, always just barely within range of his target. This is done at a speed of nearly a mile a second across the plate, or "mosaic" of the television pick-up tube.

Laboratory results to date with the new tube indicate that performance of receivers of present design may be improved in considerable degree without any change in the receivers.

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NEW MONITORING STATION FUNDS ASKED BY FCC

The Federal Communications Commission this week sent to Congress the draft of a bill proposing the establishment of a new radio monitoring station near Millis, Mass., at an estimated cost of $30,000.

Frederick I. Thompson, Acting Chairman, explained in a letter of transmittal that the station is needed to monitor the ultra-high frequencies above 30 megacycles. The FCC has a station at Hingham, Mass., he said, but its equipment is becoming obsolete.

Besides land stations, the new monitor would check on the radio transmissions of ships on the Atlantic Ocean.

The letter and bill were turned over to the Senate and House Interstate Commerce Committees.

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PALEY PRESENTS THIRD AMATEUR RADIO AWARD TO BURGESS

William S. Paley, President of Columbia Broadcasting System, presented the third annual Paley Amateur Radio Award on Tuesday to Wilson E. Burgess, 29, radio amateur of Westerly, Rhode Island, for outstanding heroism and service during the September, 1938, hurricane, which ravaged the New England seaboard. The ceremony took place in New York City.

Among distinguished guests at the ceremonies who paid tribute over the air to Burgess' feat were Rear Admiral Russell Randolph Waesche, Commandent of the United States Coast Guard, and Rear Admiral Stanford C. Hooper, of the United States Navy. Read Admiral Waesche spoke briefly on the important role amateur radio has played in national emergencies. Read Admiral Hooper extolled the value amateur radio operator training has to the United States Navy.

Also heard on the broadcast was Kenneth B. Warner, Secretary of theAmerican Radio Relay League, who accepted permanent custodianship of the trophy for his organization, a nationwide association of radio amateurs.

The William S. Paley Amateur Radio Award has been given each year since 1936 to "that individual who, in the opinion of an impartial Board of Awards, has contributed most usefully to the American people". It is open to all amateur radio operators in the United States and Canada.

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RADIO USED TO SOLVE EDUCATIONAL PROBLEM

Through use of the radio and cooperation with civic groups, the Harvard Graduate School of Education recently has taken steps toward solving one of the major problems of modern educational scientists - how to translate their research and findings into immediate action in the schools.

Over the New England network of the Columbia Broadcasting System, the Harvard educators gave a series of Tuesday afternoon programs dealing with such modern problems of the schools as these: how can movies and radio be fitted into the scheme of education; should the high school system be shaped especially for college preparation, when most of the students do not want, or are not equipped, to go to college; what blocks installation of modern school methods, more closely related to life than the older academic traditions; and, finally, who really runs the schools, controlling appointments and policies.

The appeal of the broadcasts was definitely to the taxpaying public and the working school teachers and officers, and the air waves provided a direct contact with these groups. Such organizations as the Parent-Teachers Associations, League of Women Voters, Federation of Women's Clubs and others, assisted by publicizing the broadcasts to their memberships and organizing listening groups of teachers and parents in towns throughout the area.

The results of the broadcasts were above the educators' expectations. Over thirty groups of parents and teachers throughout New England held regular meetings in local school or city auditoriums to listen to the broadcasts and then held discussions on the topics. To assist these discussions the Harvard School sent out each week an outline of questions pertinent to the subjects.

The broadcasts on movies and radio in the schools elicited cooperation from local theatre managers in a number of communities, and also were responsible for the inauguration of new classroom projects in many schools throughout the area. In other schools new vocational and educational guidance projects were started. Local libraries cooperated with the project by setting out books dealing with the topics under discussion.

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Baird Television, Ltd., has opened free fortnightly courses in large screen television at its factory in Sydenham, England, to supply the demand for experienced operators, according to a cable received by I. C. Javal, Commercial Director of the company, stationed at New York.

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REALLOCATION OF EUROPEAN WAVES IN 1940 ORDERED

Extensive alterations in the wavelengths of European long and medium-wave stations will become effective in March 1940, as the result of the European Wave-length Conference recently concluded at Montreux. The proposed changes, which apply to Europe only, follow upon the International Radio Conference held at Cairo last year, when the bands allotted to broadcasting services were revised, and they will be made during the night of March 4-5, 1940. The Conference reviewed the operating conditions of 373 stations, 103 of which are projected but not yet in existence.

The present limits of transmitting power used by European stations were also revised, and under the new scheme transmitters working on the long waveband may increase their powers up to 200 KW by night and 500 KW by day. New power limits in the medium waveband are: 120 KW for stations working on frequencies below 1,300 kcs.; 30 KW from 1,300-1,500 kcs.; and above 1,500 kcs., 10 KW.

As a result of these new provisions, the powers of various British Broadcasting Corporation transmitters are to be increased. By March next the power of Droitwich, the BBC's long-wave transmitter, will have been increased to 200 KW - a change that will result in a 16 percent increase in field strength. In addition, the present 70 KW transmitters of the London Regional and North Regional stations are to be replaced by new transmitters, each capable of supplying an aerial power of 120 KW. A contract for their supply has already been placed.

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GERMANY OPENS NEW 150 KW. STATION

The new Deutschlandsender radio station at Herzberg, in Saxony, some 55 miles south of Berlin was opened recently. The station was designed for 150 KW and took three years to build. The power will be increased to 200 KW on March 4 next year. The aerial mast has a total height of 1,100 ft. from the ground, and bears, at the summit, a circular "ring" with a diameter of 80 ft. The mast acts as an aerial in itself, and stands on a single insulator, which has to support, the report states, a weight of one thousand German tons.

A special system of modulation has been employed, which gives increased range without infringing international regulations, and saves current at the same time. At some future date, it is said, the aerial system will be extended to give it anti-fading properties by adding to the number of aerial masts.

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6/9/39

TELEVISION WILL SHIFT RETAIL ADVERTISING, SAYS G. E. OFFICIAL

That television, as it grows, may revolutionize the entire technique of retail merchandising and seriously affect the department store advertising revenues of newspapers was a possibility presented to members of the Association of National Advertisers meeting at the Westchester Country Club, in Rye, N.Y., recently, by Dr. W.R.G. Baker, head of the Radio and Television Department of the General Electric Company. Dr. Baker, speculating purely as an engineer, declared that television ultimately would become an "electronic peddler", bringing daily to house-wives an animated presentation of a store's wares in a fashion made possible by no other medium. Logically it should greatly increase telephone sales and tend to eliminate the bargain-day rush that has so long been a feature of department store merchandising, he said.

"No one can estimate at this moment just how rapidly television will develop, or precisely how it will progress, but it is here, even if on a very limited scale", Dr. Baker said. "And no business executive - certainly no advertising man - can afford to overlook the tremendous potentialities of this new science. For the present it is largely an entertainment medium, but its end result will be that of a peddler. If it does this job well, if it even approaches in its results the effect on our system of distribution that was accomplished by the original Yankee peddlers, then the struggle to bring forth this new industry will have been worth while."

Dr. Baker referred to the rise of the peddler of miscellaneous wares, the establishment of supply depots, and his development as a wholesaler with retail outlets as transportation facilities improved, with the original cycle ending in the city pushcart.

"In a few years from now", he continued, "when television transmission facilities will have pretty well covered the country and television receivers will be standard equipment in millions of homes, instead of going to the motor shows to see the new models paraded and demonstrated, we will sit in our living room and see this done in a more convincing and dramatic fashion. The automobile manufacturer can take us behind the scenes in his factory, showing engineering steps and progress. Instead of looking at static illustrations of cars on a magazine page, we can witness thrilling road tests. We can step by proxy into the car and examine upholstery and fittings - slip into the driver's seat and go places.

"Our wives and daughters will see the season's new hats and gowns paraded on live models, see cooking demonstrations, receive lessons in interior decorating and gardening, see all kinds of products and appliances in actual use, with conversation and action.

"Television seems a perfect medium for department store advertising because the present effective range of a television receiver - 40 miles - covers almost the exact buying area of a store. If a large store should put on a television program for two hours in the morning, it could present merchandise in a far more interesting fashion than would be possible in newspaper advertisements. The housewife could make notes on items by numbers and prices, telephone in her order, and escape the terrors of bargain rushes. Such a method of shopping might revolutionize the entire technique of retail merchandising, not only in department stores but in many other fields.

"Advertising men know to what extent advertising funds have been diverted in recent years from magazines, newspapers, and billboards into radio", said Dr. Baker. "As soon as the ownership of television receivers becomes sufficiently widespread to constitute a mass audience for advertisers, we may expect a new shifting of budgets to accommodate this new medium.

"There are some tremendous problems, technical and financial, to be solved before this can happen. But one fundamental fact has been proved in London - that television can provide acceptable entertainment in the home and create a new service that most of our population will want to possess."

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AMERICAN RECORD CHANGES NAME TO COLUMBIA RECORDING CORP.

The American Record Corporation, Bridgeport, Conn., makers of Columbia, Brunswick and Vocalion records, will hereafter be known as the Columbia Recording Corporation, according to Edward Wallerstein, President.

The change is one of name only. It identifies the organization more closely with its parent company, The Columbia Broadcasting System, which recently purchased the record company.

The Columbia Recording Corporation are manufacturers of Columbia, Brunswick and Vocalion records. Executive sales and advertising offices were moved May 19th from New York to new enlarged quarters at the company's factory in Bridgeport, Conn. The factory has been modernized and renovated, making it now the largest and finest plant in the country devoted exclusively to the manufacture of records for home use.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1132

June 13, 1939.

"DON'T KILL THE GOOSE", WARNS CRAVEN IN RMA TALK

Warning the radio industry to proceed slowly in stabilizing television developments, Commdr. T.A.M. Craven, Chairman of the Television Committee of the Federal Communications Commission, on Tuesday advised the Radio Manufacturers' Association not to demand standardization and thereby "kill the goose which we hope will lay the golden egg".

Commissioner Craven addressed the radio manufacturers at its fifteenth annual convention in Chicago at the opening session today (Tuesday).

Commissioner Craven's address to the convention follows, in part:

"This is a very happy occasion. It is the first time that there has been a joint conference between representatives of the Radio Manufacturers' Association, the National Association of Broadcasters and the Federal Communications Commission. I hope this occasion augurs well for the future stabilization of a great industry.

"Not at any time in all my 26 years of close association with the practical development of radio has there been such tangible evidence of a bright future as exists today for radio. This statement is made with the full knowledge that at this moment the paths to future success appear to be confusing.

"Radio has always been characterized by rapid change. Radio business has always been a business which is successful only when organized to accommodate and foster a fast changing technical base. The radio industry should be the acme of modern business in an era of technology. It is a business which can thrive on a rapidly changing but progressive scientific development - a new and young industry which can explore advantageously the modern frontiers of the nation.

"In spite of all this, the industry is now confronted with the necessity of making what some have termed a fateful decision. If we peer through darkened glass, this decision is fraught with all the aspects of a huge gamble. On the other hand, if we are unabashed and are possessed with the ability to analyze with fortitude, the chances do not appear to be so nebulous.

"It is well to admit, however, that the radio industry is now confronted with a serious problem, the solution of which requires courageous and logical planning. We cannot indulge our-

selves in the wishful hope that this rapidly developing technical art of radio will become stabilized forthwith. Nor can we delude ourselves into the belief that it is already stable. Neither should we be shocked to find that inventive genius is continuing to change the very base upon which this industry is founded.

"This new industry, as the creator of an economic problem which is at least worrying industries other than radio, finds itself confronted today with the potential economic effects of new technological changes in our own industry. Thus, all concerned are groping for methods to readjust a critical situation. However, this situation was created by ourselves and not by someone else. In other words, being a product of modern technological progress and having been injected into the modern social and economic fabric of the nation, the radio industry now finds itself confronted with some of the aspects of the social and economic effects of the very progress it has fostered. The opportunity is now given to this new industry to cope with a problem of its own creation.

"May I suggest that the solution of this problem is not insurmountable. It appears that the best general method of attack in the solution of these modern radio problems is to accept the fact that the base upon which we stand is a rapidly changing one. Having accepted this fact rather than wishing for some other kind of a foundation, we can proceed forthwith.

"We should also recognize the necessity for maintaining an existing business as well as for providing progressive increases in the employment of labor. Finally, we should avoid premature standardization of thoughts, methods and apparatus. We should avoid the pitfall of accepting the status quo.

"The industry should realize that immediately before us is the development of ultra high frequencies for high fidelity broadcasting, utilizing frequency modulation or some other method equally as efficient. Facsimile broadcasting is also on the horizon. Perhaps more fascinating to some of us, television is at our threshold. Of these various developments, television has apparently created the most difficult problem confronting the business enterprise in which we all have a part.

"In this connection I desire to invite your attention to a report made by the Television Committee of the Federal Communications Commission which has recently been released to the public.

"It is surprising that the Radio Manufacturers' Association should request the Commission to approve standards at such an early stage of development. Personally, I have always felt that in this country private enterprise should be given the utmost freedom consistent with the interest of the public as a whole.

"Standardization at any time has a tendency to thwart progress and throttle inventive genius. Certainly premature standardization in television would kill the goose which we hope

will lay the golden egg. It would prevent technical and economic processes to transpire logically. However, voluntary standardization in television along broad lines, in an attempt to secure orderly progress in the development of an industry, has distinct advantages provided the industry itself will continue intensive research for new, better and cheaper methods for producing television and will make the fruits of this research available to the public.

"I shall not go into the details of the report of the Television Committee of the Federal Communications Commission because if you have not already seen the report you have the opportunity of reading it. This Committee suggested some of the broad lines of development which, from the standpoint of the Commission, seemed to be necessary. Above all, we suggested the necessity for clear, logical thinking by each of the various elements of the industry, included in which, I hope, is the Federal Communications Commission. It appeared to our Committee that at least an exchange of information along broad lines from time to time and the frank discussion of the various problems would be beneficial in the interest of the public.

"It appears that the spectre of television, remote as it may be, has already begun to affect the economic stabilization of not only the existing radio manufacturing industry but also the existing industry involved in the broadcasting of regular voice and music programs to the public. There is no need for an adverse effect. If the effect is adverse it must be the result of a lack of logical thinking and coordinated planning. Jobbers and others who sell broadcast receivers to the public should know that while television is here in the early stages or practical technical development, it is not here and cannot be here for several years from the standpoint of stabilized operation of a real service on a nation-wide scale.

"Thus, television is still in the experimental phase of development and while it is necessary for the public to participate in this phase to a limited degree, it would be fool-hardy for the industry to lead the public into the belief that television is here as a practical reality as a stable service to the public on a national or even on a regional scale. The very fact that television has developed so rapidly in the past very few years should indicate that with the same intensive research in the future as in the past the public can expect greater improvements both in quality, simplicity, and cost. However, credit should be given for the wonderful strides in technical development achieved by the industry to date. The fact that you have already developed the technical phases of television to such an extent is a marvelous achievement. For this, the industry deserves the meritorious acclaim of every thinking person.

"The further development of television requires not only courage on the part of this industry but also the will to proceed. It is necessary for this industry to foster the development of television. Unless they do this they will be in no posi-

tion to cry for protection when someone else undertakes the job. The public, having tasted the fruits of the inventions of modern genius, organized and financed by your industry, will not be denied the promise of the service which transmits over a distance not only the voice but also vision, in the form of culture, news, and entertainment.

"Therefore, I strongly urge all of the representatives of the industry, who are here today, to continue your active steps. I hope you will continue to couple your action with some constructive thinking and coordinated planning for the future. Above all it is important that active research be carried forward.

"I do not mean that the industry should abandon a wholesome spirit of competition either in business or in technical development. It is entirely practicable as well as proper to maintain competition among individuals and at the same time to plan sensibly for the welfare of an entire industry. In so doing you are serving the interest of the public, promoting the successful sale of your equipment, as well as creating a satisfied audience for your programs."

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SPECIAL RADIO DESIGNED FOR MOTOR CARAVAN

The four mobile motor units in the Lawrence Thaw trans-Asiatic expedition will be able to maintain contact with each other even when separated by distances as great as 200 miles, it was found by General Electric engineers in making final tests of the equipment as the caravan headed east from Detroit.

The radio equipment, designed and built by the General Electric Company, will permit short-distance transmission and reception between each of the two trucks, trailer and cruiser sedan by the use of four ultra-high frequency transmitters and communication type receivers. The system is similar to that used in two-way police radio.

Two medium-high frequency transmitters and receivers have also been installed in the cruiser sedan and trailer. During the tests conducted while the caravan was enroute to Schenectady, clear reception was obtained as far away as Buffalo, a distance of more than 200 miles from Schenectady.

The equipment is powered by standard car batteries. Antennas for the ultra-high frequency sets, those that will be used for communication between the four cars while in transit, are of the one-quarter wave fishpole type, while a 128-foot span of wire strung from the transmitter to a collapsible 30-foot pole will act as antenna for each of the two medium-high frequency.

The expedition will leave New York on June 21st and will start from Paris on the 14,000-mile tour that will take it to Budapest, Istanbul, Damascus, Baghdad, Herat, through the Khyber Pass, Delhi, Calcutta and into Bombay, India, sometime next Spring.

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WELLS OPENS RMA CONVENTION

Business and labor both are victims of crushing taxation and Government regulation, according to A. S. Wells, Chicago manufacturer and President of the Radio Manufacturers' Association, in an address opening the radio industry's annual convention today (Tuesday, June 13) at the Stevens Hotel, Chicago.

President Neville Miller, of the National Association of Broadcasters also spoke of cooperative promotion with the manufacturing industry. Another official guest at the radio convention was John H. Payne, Chief of the Electrical and Radio Division, U. S. Bureau of Foreign and Domestic Commerce, Washington.

Tomorrow (Wednesday) the annual trade show of radio parts and accessories, with nearly 200 exhibitors, which is expected to attract 10,000 trade visitors, will open in the Stevens Hotel Exhibition Hall. The annual industry banquet will be held tomorrow night in the Hotel Morrison "Terrace Casino".

In deploring excessive tax burdens and government regulations, President Wells of RMA declared business men should proclaim the truth concerning business "and its proper relation to our political and business life", stating that "fundamental economic laws ... cannot be changed by wishful and illogical thinking, and when serious attempts to alter or disregard them are made, only confusion and chaos and finally irreparable damage will result.

"As soon as these false doctrines are recognized and adopted as political ballyhoo", he said, "the real threat to our whole industrial existence becomes apparent.

"Such ideas as continuously higher taxes on industry, confiscatory rates on large incomes and inheritances, and undistributed profits taxes, are ideas which are not promulgated with the fundamental thought of tax for revenue purposes, but are taxes to readjust the social and financial scale and are thoroughly wrong in principle, and destructive to business and, therefore, harmful to labor.

"Both business and labor are injured rather than helped by this type of Government regulation as well as other types of unsound Government regulation of business, the objects of which are to reconstruct and restrict, from a socialistic standpoint the individuality, freedom, and enterprise which have developed this country of ours.

"When theoretical economics attempt to remove the axioms from our economic textbooks, and substitute false theories therefor, we as business men must, by our constant repetition of the facts, put back into the consciousness of everybody the fundamental truth.

"We must use our energies to make the average citizen understand the positive statement of this principle - that if Government will tax equitably and only for revenue, and will not confiscate wealth in the name of taxation, that money will be invested in fixed assets in factories and will provide the necessary capital and employment to permit all those who wish to work to have the opportunity to do so.

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REVOLUTIONARY CHANGES IN RADIO INDUSTRY ARE FORECAST

Technical developments now largely perfected promise to bring about greater changes in radio during the next few years than have occurred since broadcasting for the general public began, according to a comprehensive survey in the June-July issue of Education by Radio.

"While television is the most widely discussed of the new developments in broadcasting, two others, facsimile and frequency modulation, may prove to be just as important. Indeed both of these developments are further advanced than television", it states. "Frequency modulation is completely perfected and ready for immediate use. The strictly radio aspects of facsimile have been perfected, but the machines for translating pictures into electrical impulses and back into print are not quite satisfactory. In television nothing seems to be final and the prospect is that very considerable changes may take place before the new art achieves stability. . .

"Why is the American brand of television so highly tentative? In the first place, there is the patent situation. Several different systems of sending images are now in existence. Perhaps others will be perfected. The Federal Communications Commission is trying to protect the future purchasers of television receiving sets by waiting until it knows what the performance of the various systems may prove to be. Ultimately, the Commission through its licensing power will dictate the kind of television to be done. To make such an important decision too early might discriminate against some new inventor or encourage the public to buy the present receiving sets only to have them scrapped by technical developments which even now may be in the laboratory stages of development.

"In the second place, important economic problems remain to be solved. How is television to be paid for? Probably by advertising. But the answer is not as simple as that. Television is expensive, so expensive in fact that advertisers in the smaller cities cannot afford it. And there is no such secondary coverage in television as exists in regular radio broadcasting to enable distant listeners to enjoy programs put on by advertisers over big city stations.

"The financial problem is not that of giving television to the great metropolitan areas, but of making it available to the Nation. Not only do individual stations serve a smaller area, but also they can be connected into chain broadcasting systems only with much more difficulty and much greater expense. At this writing there seems to be no visible means of giving anything like a complete national coverage with television.

"The third complicating factor is that of politics. A majority of members of Congress represent districts which are predominantly rural. Most of them will want television for their constituents. Many can be expected to attack any system of licensing adopted by the Federal Communications Commission which does not make provision for reaching a large part of the nation with the outstanding programs which can originate only in such talent centers as New York, Chicago, and Hollywood.

"In the fourth and fifth places there are two vitally interested rivals, the press and motion pictures. Television is a real threat to the advertising revenues of the press. What department store would be interested in using cold black type to picture its new fashions if there was a large enough television audience to make it worth while to send the images of living models into milady's parlor!

"The motion picture situation is not so clear. Television may be a vast new market for the use of films because at present they seem to be the best available source of supply for programs. Likewise, it may be installed by theaters and may prove to be a valuable new stimulus to attendance. On the other hand, neither of these possibilities may materialize. Use of films for television may be discourages in the same way that recordings were discouraged in radio broadcasting. And the public may rush to buy home receiving sets which will compete so successfully with the theaters that box office attendance will diminish and perhaps disappear. . . . .

"The story of facsimile is less exciting although in some ways just as important as television. It can be operated on all radio frequencies with the result that, by attaching special equipment, any kind of receiving set may be transformed into a facsimile receiver. Experimental work with this device is now being done on the West Coast, in the Middle West, and in the East. Facsimile receivers are being offered for sale more widely than are television sets and at prices of less than $100. In appearance facsimile is very much like the wireless and wire-photo pictures which are seen regularly in many daily newspapers. The best facsimile is fully as good as the best of these rapidly transmitter pictures which appear in newspapers. . . .

"Both facsimile and television have been discussed in the public press and over the air for some time and so are rather well known. Frequency modulation, which is a new system of transmitting regular radio broadcast signals, is almost unknown. And yet it may prove to be the most significant of all new develop-

ments. It may open the way for a much greater degree of freedom of the air than has been enjoyed or has seemed possible up to now.

"Frequency modulation is very different in both methods and results from the kind of radio transmission used with regular receiving sets. Regular broadcasting uses a narrow band of frequencies which under certain circumstances can be broken up or interfered with to such an extent that static and various other bothersome noises are often reproduced on listeners' receiving sets. Frequency modulation uses a broad band of frequencies, so broad in fact that it seems to smother all interference noises and to give the listener a program reception so perfect as to be almost unbelievable. . . .

"Receiving sets, easy to tune and equipped with a loud speaker of much higher quality than those used on ordinary receiving sets, will be on the market soon at a price expected to be about $100.

"Whereas television and facsimile were threats to other media of mass communication, frequency modulation is a threat to radio itself. It seems certain to lessen the value of more than seven hundred transmitting stations in the regular broadcasting band and of the millions of receiving sets now owned by listeners throughout the nation. This does not mean that the kind of broadcasting now being done will become entirely obsolete. It simply means that a better type of broadcasting service will soon be available and that in order to enjoy the new service entirely different receiving sets must be secured.

"Frequency modulation seems to lend itself particularly to local broadcasting as distinguished from regional and national service. So far as coverage is concerned, it cannot compete with clear channel stations. However, stations using it can be joined into networks and thus can be enabled to render a national service.

"Frequency modulation on the ultra-high frequencies does not create interference beyond the range of good program reception. It is possible, therefore, to place on a single frequency a number of stations, each serving a different community. Where the services of two such stations overlap, it is possible for listeners to use a directional antennae and pick up either program without interference from the other. This phenomenon seems to promise that every city in the United States may be able to have as many stations as its citizens may desire. While each station will still be subject to a Federal license, the possibility of existence for so many of them must be hailed as a great step toward freedom of the air.

"What new radio wonders will be perfected and what they will do for the world in the next few years are beyond comprehension. To emphasize in conclusion that still other developments are on the way, it is only necessary to note that Major Armstrong publicly predicted in 1935 that by his method of transmission it would be possible to broadcast simultaneously over a single station multiplex signals such as those of television, telegraphy, telephony, and facsimile. Certainly it is no fantastic dream to envisage the well-equipped home of 1950 with a single master receiving set producind sight, sound, or print."

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TELECAST OF KING AND QUEEN TRAVELS 130 MILES

In a little shack atop Pinnacle Point, a 1,600-foot elevation in the Helderberg hills about 12 miles from Schenectady, a group of 20 farmers from New Scotland and Altamont saw the King and Queen as they inspected the New York World's Fair better than 99 percent of the million or more people who were actually present at the Fair. The images of both Their Majesties were flashed instantly and clearly by television over the 130-mile airline space between New York and the television receiving equipment installed by General Electric engineers on top of this hill.

Contrary to the theory that television can be picked up but 40 or 50 miles from the point of origin and at no spot beyond the horizon as seen from the transmitter antenna, General Electric engineers received the complete two and one-quarter hour program of the King and Queen's visit to the Fair as telecast from atop the Empire State Building. Even though the telecast originated at about 1,300 feet elevation in New York and was received atop a 1,600-foot hill, the "line of sight" was still 8,000 feet above the receiving antenna, according to C. A. Priest, General Electric's Chief Radio Engineer.

"We feel there was nothing accidental about this reception even though it seems to be contrary to the rules of television". Mr. Priest explained. "In two preliminary tests, we picked up the complete program as telecast by NBC in New York, and both picture and voice were received very clearly. I really don't believe we will have any trouble in receiving television programs sent from New York, even when the airline distance is 130 miles and we are a mile and a half below the line of sight."

The receiver, of standard G.E. type, was set up in a small shack hurriedly erected atop the hill. Power to operate it was supplied by a small gas-driven generator hauled to the spot. A special directive antenna was erected, diamond in shape, on four poles 40 feet above the ground. This covered in all a space of about 300 by 600 feet. The spot is located about two miles from the new high-power television station that General Electric is building, which is expected to be in operation early in November.

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RADIO NOTABLES AT ROYAL PERYLON RECEPTION

Among those in the radio industry who had the privilege of attending the reception which followed the luncheon to King George VI and Queen Elizabeth at Perylon Hall at the New York World's Fair last Saturday were:

Mr. and Mrs. Merlin H. Aylesworth, Mr. and Mrs. Alfred J. McCosker, Mr. and Mrs. William S. Paley, and Mr. and Mrs. David Sarnoff.

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CULBERTSON, FORMERLY OF RCA, DIES

Owen Culbertson, formerly with the Radio Corporation of America, and at one time private secretary to Gen. James G. Harbord, died last Tuesday of a stroke at Bellevue Hospital in New York City. Because of lack of identification papers, it was not until four days later that the police succeeded in establishing his identity.

Mr. Culbertson, who at one time was in Washington for the RCA, was a member of a prominent Texas family and a Lieutenant in the United States Army Reserve.

Mr. Culbertson was born in Austin, Texas, on November 27, 1899, a great-grandson of the Superior Judge of the Independent Republic of Texas. A member of the Reserve Remount Service, he was well known as an equestrian, and frequently rode to hounds in the Virginia foxhunts.

An expert with the rawhide whipe, he was called upon in 1933 by Otis Skinner to teach Thomas Chalmers, another actor in "Uncle Tom's Cabin", a revival by the players, how to wield a nine-foot last as Simon Legree. Mr. Skinner played Uncle Tom. Mr. Culbertson had been a member of The Players for many years. He had been invited to go down the bay last Saturday by the British Colony Reception Committee for a reception to King George VI and Queen Elizabeth.

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BENGAL IN MARKET FOR SCHOOL RADIO SETS

The American Trade Commissioner at Calcutta reports that the Bengal Board of Education plans to start equipping most of the schools in Bengal with a small inexpensive receiving set within the next few months as a means of radio in education. One well-known importer and his retail agents have submitted samples of American equipment and quoted the price of 50 rupees each.

"There were several objections to the American set raised by one member of the committee, and the importer has taken steps to correct the alleged deficiency", the report stated. "It is understood that the revised set now overcomes all the objections but the technical adviser of the committee has not yet given his approval and remains completely non-committal. It is also understood that another American set, one Philips, one English and a German set have been submitted. It is not expected that the Board will purchase the sets in large quantities but will spread the entire lot over a period of 12 to 18 months."

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NBC EXPLAINS POLICIES, SERVICES IN BOOKLET

"Broadcasting in the Public Interest", a brochure, was released this week by the National Broadcasting Company. It outlines the history and growth of the network, restating its general policies and program standards and describing its public services.

The booklet includes a concise description of NBC's development, outlines some of the problems which it originally faced and explains its network structure and method of operation.

A section is devoted to the social nature of NBC which discusses its relationship to the public, the responsibilities imposed on it by law and the responsibilities which it has imposed upon itself through the formation of an Advisory Council. This portion of the booklet also contains the latest statement by the Council regarding policies which it has worked out concerning religious, political and controversial programs.

The brochure also gives a detailed analysis of other policies adopted by NBC and deals specifically and at length with such subjects as medical accounts, contests, children's programs, news commentaries and various types of material which are unacceptable for broadcasting. It also explains the purpose and scope of NBC's International Division and discusses some of the problems of radio which may be expected to arise in the near future.

"Broadcasting in the Public Interest" also contains lists of the officers, directors and Advisory Council members of the National Broadcasting Company and a six page compilation of some of NBC's outstanding programs.

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NEW BRAZILIAN STATION TO BOOST RADIO MARKET

An organization known as the "Radio Educadora de Natal" (REN), founded on January 22, 1939, has announced that it will undertake the construction of a radio broadcasting station in Natal, Brazil, capable of transmitting long wave programs over a radius sufficient to include the entire state of Rio Grande do Norte, which has an estimated area of 52,411 square kilometers and a population of 818, 612, according to the American Consulate, Pernambuco.

"It is understood that an American firm has been awarded the contract for the necessary equipment", the report stated. "Details pertaining to frequency, call letters and power are not yet known, but will be reported when available. The establishment and operation of a broadcasting station in Natal should have a stimulating influence upon the sale of inexpensive long wave American radio sets. This feature is called to the attention of American radio manufacturers."

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No. 1133

FCC INQUIRY SLATED BY APPROPRIATIONS COMMITTEE

The Federal Communications Commission will be given an appropriation to continue operations after July 1, when its present funds run out, but the price will be another grilling of the Commissioners by a sub-committee of the House Appropriations Committee.

As members and employees of the FCC became alarmed over the prospect of payless pay-days, Representative Woodrum (D.), of Virginia, announced that the FCC estimates will be considered in connection with the last Deficiency Bill, hearings on which will be held next week.

Upon request of Representative Wigglesworth (R.), of Massachusetts, chief critic of Chairman Frank R. McNinch, however, an executive hearing will be held before the funds are voted, Mr. Woodrum said.

At the same time it appeared likely that Mr. McNinch will escape the probe on the excuse of ill health. He has been away from the Commission for several weeks, and though his aides continue to predict his early return, some of his colleagues believe he will not be back on the job until after the FCC appropriation is reported to the House.

Due to the necessity for action before June 30, Mr. Woodrum indicated that the FCC appropriation may be detached and rushed through Congress before the less urgent items in the Deficiency Bill.

The $2,000,000 estimate submitted by the Budget Bureau, providing for expansions of the Communications Commission, is not expected to be approved. The appropriation probably will be limited rather closely to the $1,700,000 carried in the last fiscal FCC bill.

The House Appropriations Committee early in the current session refused to make an appropriation for the FCC in the Independent Offices Supply Bill because of the disclosure that President Roosevelt had asked for a complete reorganization of the Commission.

Since then, however, the McNinch-Wheeler Bill to set up a three-man regulatory agency with almost dictatorial powers over radio has been pigeon-holed for this session at least by Chairman Wheeler, of the Senate Interstate Commerce Committee. There is little likelihood that either a Senate or House investigation of the FCC or the radio industry will be ordered during the recess.

Meanwhile, rumors are becoming more prevalent that Chairman McNinch will not return to the FCC at all and that he will be transferred to another Federal post, possibly a judgeship, as soon as his health permits.

Just who may succeed him as Chairman is a matter of speculation. One report is that the post may go to the "baby" member of the Commission, Frederick I. Thompson, Alabama newspaper publisher, because of the friction between other members. This intro-Commission friction, however, has all but disappeared since the departure of Mr. McNinch on his last leave of absence.

As one of the Commissioners remarked: "We are getting along fine now that the Chairman is away."

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STRICT SELF-REGULATION RADIO CODE DRAWN BY NAB

Culminating three months' study of the industry's problem, a Special Committee of the National Association of Broadcasters under the chairmanship of Neville Miller, President of NAB, this week released its proposed code for self-regulation of commercial broadcasting.

More strict and far-reaching than the NRA Code, the NAB proposal is expected to encounter opposition among some of the broadcasters when it is submitted to the NAB convention in Atlantic City July 10-13.

If the code is approved, it will become effective on September 24, coincident with the change from daylight saving to standard time. The code is the organized industry's answer to suggestions of Government control or censorship of radio programs.

Basic provisions of the code follow:

I. <u>The Yardstick of Good Taste</u>:
Radio is an invited guest in the home.
The yardstick of good taste and a decent regard for the social sensibilities, therefore, shall be applied to all matter broadcast.

II. <u>Religious Broadcasts</u>:
To every American, the Bill of Rights guarantees the privilege to worship as conscience dictates, without fear of intimidation or reprisal. Radio, therefore, which reaches men of all creeds and races simultaneously, may not be used to convey attacks upon another's race or religion. Rather it should be the purpose of the religious broadcast to promote the spiritual harmony and understanding of mankind, to administer to the religious needs of the community and to contribute to the spiritual nourishment and uplift of the individual.

III. The Broadcasting of Controversial Public Discussion:
Carrying out their mission as instruments of democracy in providing avenues for the discussion of public matters, member stations shall at all times hold their facilities in readiness, consistent with proper program balancing, for the free and open discussion of public questions of general interest.
Because listeners possibly in no other way could be assured of the opportunity to hear the opposing views on any controversial subject discussed, time will not be sold for such discussions, nor will such discussions be permitted on sponsored advertising programs, unless representative spokesmen from at least two clearly defined and different sectors of public opinion participate in the same program at the same time.
The right of a speaker to express his opinion shall be modified only by conformity with existing laws, including the laws of libel and slander and the standards of good taste.

IV. Political Broadcasts:
A political broadcast is any broadcast in connection with a political campaign in behalf of or against the candidacy of a legally qualified candidate for public offce, or in behalf of or against a public proposal which is subject to ballot.
In accordance with the law, stations will extend fair and equal treatment to opposing candidates for the same office. The same equality of treatment will extend to the allocation of time in behalf of, or in opposition to, public proposals which are subject to ballot.
Every political broadcast and every political announcement must be fully identified as such.

V. News Broadcasts:
In the handling of news, accurately gathered and swiftly broadcast, radio renders one of its greatest services to the American people whose democracy is dependent upon immediate access to the facts of the day. Without bias or editorial opinion, member stations shall continue to broadcast factual news stories obtained from accredited news sources.

VI. Propaganda:
Broadcasters will make every effort to distinguish between clear and concealed attempts to influence public opinion. In no case shall material be broadcast unless it be honestly identified as to sponsorship or source.

VII. Educational Broadcasting:
Radio not only has the duty of filling current program wants in accordance with fixed and diverse program tastes, it recognizes also an obligation, in line with its public service mission, to contribute to the spread of education and culture, which will eventuate in an elevation of such wants and tastes.

VII. (continued)

Toward such ends, member stations will continue to provide time and facilities adequate to the area served.

VIII. Children's Programs:
Programs designed exclusively for children, reaching impressionable minds, and influencing social attitudes and approaches, require the closest supervision of broadcasters in the selection and control of material, characterization and plot.
This does not mean that the vigor and vitality common to child adventure and imagination be removed. It means simply that programs be based upon sound social concepts and presented with a superior degree of craftmanship.
To establish acceptable and improving standards for children's programs, the National Association of Broadcasters will continually engage in studies and consultations with parent and child study groups. The results of these studies will be applied to all children's programs as a basis of minimum requirements necessary before any program becomes acceptable for broadcasting by member stations.

IX. Acceptance of Commercial Programs and Announcements:
Acceptance of programs and announcements for radio advertising purposes shall be strictly limited to products and services offered by individuals and firms who are engaged in legitimate commerce; whose products, services, advertising claims, testimonials and other statements comply with all legal requirements, fair trade practices and accepted standards of good taste.

X. Standards of Practice:
In order that this basic code may be interpreted and extended to meet changing social conditions, the National Association of Broadcasters, through its Headquarters in Washington, will establish such facilities as may be necessary for the continuous evolvement of a Standards of Practice through which each member station may find a guide for the uniform application of basic principles herein outlined. The Standards of Practice will include such other operating and ethical procedures as may be determined, from time to time, to increase the public acceptance of radio advertising, and thus fortify the economic foundation of the American System of Broadcasting in its continued ability to provide a free and unfettered means of mass communication, and to further contribute to the economic and social development of the nation.

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NO LEGISLATION ON PHONE REPORT SEEN THIS SESSION

Due to the controversial nature of the recommendations of the report on the telephone industry submitted by the Federal Communications Commission to Congress this week, Capitol Hill observers predicted that no legislative action will be taken this this session.

The report, which is a modification of the original "proposed report" drafted by Commissioner Paul A. Walker, after lengthy and expensive hearings, was filed more than a year after the first draft, which aroused a storm of criticism. The new proposal for stricter FCC control of the telephone industry stirred up scarcely a ripple of excitement.

The report was unanimously adopted and signed by the entire Commission, Frank R. McNinch, Chairman, Norman S. Case, T.A.M. Craven, George Henry Payne, Frederick I. Thompson, Thad H. Brown, and Paul A. Walker, Commissioners.

The report consists of approximately 900 mimeographed pages and deals with the history, development, magnitude, and operating practices of the telephone industry, with particular reference to the Bell System. Pointing out the savings to telephone subscribers of more than $30,000,000 through reductions in rates resulting directly from the investigation, the result justifies the Congressional reference that "the American people are entitled to know if they are being over-charged for this service even though they may be satisifed with the service", the report states.

The appropriation from Congress to conduct the investigation totalled $1,500,000. Thus is shown a direct return of more than $20.00 in savings to telephone users for every $1.00 that the investigation cost the taxpayers. Annual savings alone of $12,000,000 by reductions in interstate toll rates that became effective in January, 1937, followed conferences between the American Telephone and Telegraph Company and representatives of the Commission.

The report points out the necessary for strong regulatory powers over the telephone industry, both through the agencies of State regulatory bodies and the Federal Government, and in connection therewith says, "The efforts of individual States to ascertain many of the basic facts necessary for effective telephone rate and service regulation within their borders, have at all times been hampered and have frequently been rendered largely negatory by reason of their necessarily limited jurisdiction, many essential elements of Bell System organization and practices being beyond their control", and further says, "So long as the Bell System continues to be organized upon its present basis the individual States must continue to look to the Federal regulatory agency to afford them many elements of the essential factual background of telephone regulation. Not only, therefore, is an

adequately staffed and properly organized Federal regulatory agency important in itself, but there is need for such a body to act in some measure as a cooperating agency with the States."

In connection with regulation the report emphasizes that "There is evidence to indicate that improper influence has been brought to bear upon legislative and regulatory bodies charged with the duty of fixing rates for Bell System Companies." The Commission states in its report that "This practice is clearly against public interest, is condemned, and should not be countenanced by any regulatory body."

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WELLS REELECTED PRESIDENT OF RMA

Albert S. Wells, Chicago radio manufacturer, President of Wells-Gardner & Co., was reelected President of the Radio Manufacturers' Association at its session closing its fifteenth annual convention at the Stevens Hotel, Chicago, on Wednesday.

The Radio Manufacturers' Association also elected Directors for the ensuing year and opened the annual radio parts show at the Stevens Hotel, which will run through Saturday. Wednesday night the radio industry's annual banquet was held at the Hotel Morrison's "Terrace Casino".

Other officers elected by the Radio Manufacturers' Association included Leslie F. Muter, of Chicago, as Treasurer. Directors elected included Ben Abrams, of New York; Power Crosley, Jr., of Cincinnati; James S. Knowlson, and Commander E. F. McDonald, Jr., of Chicago; Glenn W. Thompson, of Columbus, Indiana; B. G. Erskine, of Emporium, Pa.; H. E. Osmun, of Milwaukee; J. McWilliams Stone, of St. Charles, Ill.; J. J. Kahn and James C. Daley, of Chicago; Octave Blake, of S. Plainfield, N.J.; Ernest Searing, of Philadelphia, and Ray F. Sparrow, of Indianapolis. Bond Geddes, of Washington, was reelected Executive Vice President of the Association, and John W. Van Allen, of Buffalo, was reappointed General Counsel.

As has been his custom at the annual meetings, Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation, took the guests, officers and Directors of the RMA for an afternoon's sail on Lake Michigan on his yacht "Mizpah".

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RMA DIRECTORS WARN AGAINST TELEVISION ENTHUSIASM

The Directors of the Radio Manufacturers' Association this week in Chicago adopted by unanimous vote a resolution warning the radio industry and the public not to become too enthusiastic over the immediate prospects of television.

In a statement authorized by the Board and issued by A. S. Wells, President, the RMA Directors expressed the opinion that 90 percent of the geographical area of the United States will have to wait for some time before it is served by television stations.

The text of the statement follows:

"By unanimous action the Board of Directors of the Radio Manufacturers' Association, in its annual convention at the Stevens Hotel, authorized its President, A. S. Wells, to make the following statement on television for the Association and the Industry:

"The membership of the Radio Manufacturers' Association includes practically all of the U. S. makers of television sets.

"No group has so great a stake in the development of television. No group has a greater faith in the future of this art, or a firmer belief in its eventual growth from its experimental stage to that of one of the country's great services.

"They would like to present television to the whole country, but because of the many problems involved, it will be a long time before such a reality can be achieved.

"They feel that this statement is necessary because of the nation-wide interest in this matter; because television has suffered from over-statements; and because the inauguration of television in New York may arouse false and ungrounded hopes in the minds of the people throughout the country.

"As a matter of fact, television is something that those living in New York may now have in a limited way, and a few additional stations are in prospect at the present time, while others will probably develop when a solution to the financial side of such broadcasting can be found. In all probability, however, over 90 percent of the geographical area of the United States will not be served for some time to come, for the economic questions are serious ones and will have to be solved by broadcasters in the future.

"Even where television is available, it must be remembered that for technical reasons it can only be received to the optical horizon. The average useful reception distance from the antenna on top of the Empire State Building in New York (the world's tallest building) is only fifty miles. This means that

the horizon, or useful distance from any building or mast less in height than the Empire State Building will be considerably less than that available in New York.

"It must also be remembered that television broadcasting is on an experimental basis. The experimental character of such broadcasting, or telecasting, as it is properly called in television, means that the program will be on a trial basis, and until experience has been gained in the kind of programs that are of real service to the public, they cannot be broadly duplicated over many stations. Therefore, these programs for some time to come will, of necessity, be limited at best to a few hours a day.

"Even where television is available, or may become available, it must be considered as a supplemental service to radio broadcasting, and for that reason will not render the modern radio receiving set obsolete any more than an aeroplane renders the modern automobile obsolete. These are and will be different types of services."

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NINE APPLICATIONS CLASH WITH RADIO PACT

The Federal Communications Commission announced this week that final action on nine applications pending before the Commission was being withheld because the facilities requested conflict with or involve the North American Regional Broadcasting Agreement. This Agreement, which was drawn up at the Havana Conference in December, 1937, allocates frequencies for standard broadcast stations on the North American Continent. The Agreement has already been ratified by the Governments of the United States, Canada, and Cuba and awaits only ratification by the Government of Mexico to become effective.

The nine applications on which action is being withheld are as follows:

Evening News Press, Port Angeles, Wash.; KVL, Inc. (KEEN), Seattle, Wash.; Michael J. Mingo, Tacoma, Wash.; Tacoma Broadcasters, Inc., Tacoma, Wash.; Radio Service Corp. (KSEI), Pocatello, Idaho; St. Lawrence Broadcast Co., Ogdensburg, N.Y.; Cuyahoga Valley Broadcasting Co., Cleveland, Ohio; South Bend Tribune (WSBT), South Bend, Ind.; King-Trendle Broadcasting Corp., Grand Rapids, Mich.

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HEARING ORDERED IN S-W RULES CONTROVERSY

A public hearing was ordered this week for July 12 by the Federal Communications Commission on the question of whether the new rules governing the operation of international broadcasting stations should be modified, revised, or amended.

The FCC decision culminated growing criticism of the rule which stipulated that an international station must broadcast programs which "reflect the culture of this country and which will promote international good-will, understanding, and cooperation."

The regulation was viewed with alarm by the radio industry, the American Civil Liberties Union, and members of Congress on the ground that it verged too close to Government censorship of radio. The hearing was granted upon the filing of a petition by the Civil Liberties Union.

"The Commission is of the opinion", the announcement said, "that an open public hearing to discuss the merit of the new regulations is desirable, particularly in view of the fact that the application of the rules has been misunderstood in some quarters."

Chairman Wheeler, of the Senate Interstate Commerce Committee, criticized the regulation on the Senate floor this week and said he hoped the FCC would decide to reconsider and hold a hearing. Senator Johnson (R.), of California, echoed the wish.

Previously the National Association of Broadcasters had filed a formal request for a hearing with the FCC. The Commission ignored this petition, however, in acting on the request of the Civil Liberties Union.

Among the last to join in the demand for reconsideration was Representative Celler (D.), of New York. In a letter to Chairman Frank R. McNinch, he said:

"I am disturbed with one of the regulations recently promulgated by your Commission, which provides as follows: 'A licensee of an international broadcast station shall render only an international broadcast service which will reflect the culture of this country and which will promote international good-will, understanding, and cooperation.' What is 'international good-will' to one, may be international ill will to another. Furthermore, what is meant by 'understanding'; and what is meant by 'cooperation'? There is no common definition of these words, and therefore the language used is somewhat vague.

"If I were scheduled to speak on one of the four international broadcasting stations, and were suddenly stopped on the score that I was not promoting 'international good-will, understanding, and cooperation', I would be deeply resentful against

the broadcasting company that sought thus to interrupt or scotch my efforts.

"Whether or no there is involved in this regulation a degree of censorship, I will not state at this juncture. But if there is censorship, then the regulation would be without force and effect, because the Federal Communications Act of 1934, (section 326), denies the Commission the right to exercise power of censorship over radio communication. That section, likewise, denies the Commission any right to interfere with freedom of speech.

"Frankly, I do not think the Commission is on firm ground. I do hope therefore that earnest reconsideration will be given the regulation in question."

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THREE NEW STATIONS TENTATIVELY AUTHORIZED

The Federal Communications Commission this week announced its proposed findings of fact and conclusions proposing to grant the applications of Saginaw Broadcasting Company, Saginaw, Mich., and Gross and Shields, Saginaw, Mich., both for new stations in that city, to operate on 1200 kc., with 100 watts night, 250 watts daytime, specified hours, and 950 kc., with 500 watts power, daytime hours, respectively.

Richland, Inc., of Mansfield, O., also was given tentative authorization to construct a new broadcasting station for operation on 1370 kc. with 250 watts, daytime, in proposed findings of fact, which are subject to final approval.

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NAB-ASCAP COPYRIGHT PARLEY OPENS

Conferences between representative committees of the National Association of Broadcasters and the American Society of Composers were under way this week in New York City months before expiration of current station and network contracts - for performance of ASCAP's repertoire by radio.

Members of the NAB Copyright Committee, presided over by President Neville Miller, decided to begin conversations with the Society at a meeting in New York early this month. A report on the negotiations will be made by President Miller to the forthcoming NAB Convention in Atlantic City July 10-13.

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NETWORK REPORT NOT EXPECTED BEFORE FALL

There is little likelihood that the Federal Communications Commission will make its complete report to Congress with regard to the chain-monopoly investigation at this session, it was learned this week.

While an interim report may be filed if Congress does not adjourn before late Summer, FCC officials said that recommendations will not be ready for submission before Fall.

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::: TRADE NOTES :::

The interconnected RCA police radio systems of two Illinois towns were the instruments recently used by a posse of Federal, county and municipal peace authorities in capturing a heavily armed desperado, wanted for murder and mail robbery, without firing a shot. Floyd Bruce, indicted for murdering a messenger in a $25,000 postal robbery in Guthrie, Ky., and his wife, Helen, were the principals in the chase.

The Berlitz School of Languages, Washington, lists short-wave broadcasts from a dozen foreign speaking countries in its advertising now, with the comment: "You can understand all of them - Come to Berlitz."

Five-year contracts, effective this Fall, have been signed by the Columbia Broadcasting System with two of its basic network stations, WJR, Detroit, and WGAR, Cleveland. Established in 1922, WJR broadcasts with 50,000 watts day and night at 750 kilocycles, and has been a CBS affiliate since 1937. WGAR, with 5,000 watts daytime and 1,000 at night, operates at 1,450 kilocycles, was established in 1930, and has been a member of CBS for four years.

W. B. Lewis, CBS Vice President in Charge of Broadcasts, has announced the appointment, effective July 35d, of Charles Vanda to the newly created post of Western Program Director of the Columbia Broadcasting System. In his new capacity, Mr. Vanda will devote entirely to network programs the time he formerly divided between network, regional and local programs.

General Electric Company this week placed on sale a line of five receivers for use in the New York area for television. Only one of the five G-E models shown, the de luxe all-wave radio and television receiver which tops the line, employs a mirror to reflect the picture received. Another model utilizes a 12-inch picture tube with which the image can be viewed directly on the front of the cabinet. The other three receivers employing nine, and five-inch picture tubes, are all the direct-viewing type.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

LEGAL DEPARTMENT
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JUN 21 1939

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No. 1134

June 20, 1939.

FCC ASSURED OF FUNDS AFTER MILD HOUSE INQUIRY

The Federal Communications Commission was assured of funds to carry on after July 1st following an unexpectedly mild executive hearing before a Deficiency Sub-Committee of the House Appropriations Committee on Monday.

While the Sub-Committee has not yet decided how much of an appropriation to recommend, members indicated that it will be adequate to keep the FCC operating on the present basis although probably not sufficient to permit expansions recommended by Chairman Frank R. McNinch.

The absence of Chairman McNinch, who is still recuparating from his recurring illness at Atlantic City, accounted for the milk inquiry. Republican members of the Sub-Committee, it was understood, had demanded the inquiry in order to question the Chairman.

Thad H. Brown was Acting Chairman of the Commission and answered most of the questions asked by the Sub-Committee members. Commissioner Paul Walker was questioned somewhat about the telephone report.

Afterwards Representative Connery (D.), of Massachusetts, suggested that the FCC be allowed only an appropriation for eight months and that the House then adopt his resolution calling for a sweeping investigation of the Commission and the radio industry.

Indications are, however, that the full year's appropriation will be allowed and that no further inquiry will be ordered.

A rider calling for an investigation may be offered on the House floor when the FCC appropriation is considered, however, and it is likely that some further attacks on the Commission will be forthcoming.

The Commission's funds normally are carried in the Independent Offices Appropriation Bill, but when that measure was reported to the House several months ago, the Committee stated it did not include the FCC appropriations because of the assurance at that time that the Commission would be reorganized.

The Commission has asked for $2,038,175, an increase of $300,000, to be used principally for an increase in personnel and for purchase of new equipment for its monitoring stations throughout the country where the signals of radio stations are checked to see that they keep within their frequencies. Included in this amount is $25,000 for printing and binding and $13,175 for the purpose of continuing the investigation on the need for requiring vessels operating on inland waterways to have radio equipment aboard.

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FTC ORDER HITS RADIO CORRESPONDENCE SCHOOL

Misleading claims concerning the ownership and operation of an amateur radio station in connection with the sale of correspondence courses in "electronic engineering", will be discontinued by a Minneapolis concern under a stipulation entered into with the Federal Trade Commission.

Thomas J. Casey, trading as National Institute of Technology, agrees to discontinue using printed or oral representations tending to convey the idea that his school owns, operates and controls amateur Radio Station W9VXZ, Minneapolis, or any other radio station for its curricular purposes; that use of that or any other station or call number may be available to unlicensed students for practice and operation, or, inferentially or otherwise, that his school has the authority to operate or control the operation of the transmitting equipment of an amateur radio station even though it may own such equipment.

The stipulation recites that the respondent, in selling trade school courses for radio operators and mechanics, extensively featured W9VXZ as a part of the school's operating equipment; that he personally operated the station for the school's commercial purposes, seeking to make contacts with radio broadcasting studios throughout the country in an effort to procure paying jobs for his students; and that this was contrary to Federal Communications Commission regulations that amateur stations shall not be used commercially and that amateur licenses are not issued to schools or their representatives or to amateur radio societies if their names advertise business concerns or commercial schools.

The facts are, according to the stipulation, that the call number W9VXZ is not the property of the school as represented and implied, but is assigned in a license to Raymond O. Overby as trustee for the National Institute of Technology Radio Club, an amateur radio society, upon a showing made by him of control of proper transmitting apparatus and of the station premises.

The respondent agreed to cease use of the words "Institute and "Technology" in his trade name or in any manner as applied to his school or any affiliated radio club or society; or the use of any similar designation the effect of which is to convey the belief that the school is equipped to give technological courses or instruction other than trade or vocational, or that either school or club is an institution for the promotion of learning, philosophy, art or science, or is a national association of technologists.

Among other representations to be disccontinued are overstatements of actual earning power or probable salaries and future security of graduates and students; representations implying that the respondent is in a position to offer employment to his graduates; and implications that persons lacking in proper education,

experience or aptitude can become competent electronic or radio men by taking the respondent's course; that the school is equipped to supply competent engineers; that "some of the best engineers in this country" collaborated in preparing the course; that a certificate issued by the school is a diploma; that a fictitious price for the course is the actual price, and that the school occupies the whole of a building depicted when in fact it occupies part of one floor.

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RMA CONVENTION SETS ATTENDANCE RECORD

In attendance, interest and constructive action, all radio industry records of a decade were surpassed at the fifteenth annual RMA convention and National Parts Trade Show, June 13-17, at the Stevens Hotel in Chicago, according to Bond Geddes, Executive Vice-President.

Registration records, both for the bigger and better parts show, RMA convention and committee meetings, and also the annual "RMA cabaret" and industry dinner, held Wednesday evening, June 14, in the Hotel Morrison's "Terrace Casino" were broken. There was wide optimism over future business prospects, with bigger volume and higher price levels informally set as goals for the coming year.

Close to 10,000 manufacturers, distributors, dealers and servicemen, and members of RMA Sales Managers Clubs, the Radio Servicemen of America, the National Association of Radio Parts Distributors, and other allied organizations were present and held many group and committee meetings.

The big social event was the annual "RMA cabaret" attended by over 750 RMA members and guests, and 40 percent larger than last year. President Wells was presented with a sterling silver cocktail set by Paul V. Galvin, of Chicago, Chairman of the Convention and Banquet Committee. Another entertainment feature of the convention was the annual radio golf tournament at the Calumet Country Club on Thursday, June 15, participated in by nearly 200 radio golfers.

The National Radio Parts Trade Show held in the Exhibition Hall of the Stevens Hotel from Wednesday, June 14 to Saturday, June 17, was the largest and best in five years. Thousands of radio distributors and sales representatives, dealers and servicemen attended, with a registration far exceeding last year. Sponsored jointly by RMA and the Sales Managers Clubs under the management of Ken Hathaway, the show will be held again next year in the Stevens Hotel. Arrangements for direct representation of RMA and the Sales Managers Clubs in the management and operation of the show were made. Directors H. E. Osmun and J. J. Kahn, of Chicago, were appointed by President Wells as the RMA Directors on the Show Management Committee.

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400 TELEVISION SETS SOLD IN FIRST MONTH

At the end of one month of regular broadcasts by the National Broadcasting Company, Radio and Television Retailing has made a check-up of television set sales in the New York area. Approximately 750 complete sets have been delivered to dealers, according to O. Fred. Rost, Editor. Half that number, or at best 400 sets were sold at retail and installed in consumer's homes, he said. A considerable number of kits have been sold.

"Not less than 350 dealers within television range are demonstrating or getting ready to domonstrate sets", the report continued. "Some have made no sales, others have moved one set, smart dealers in unusually good locations have sold 6, 8, 11, up to 21 sets. One large department store made enough sales to justify tripling its demonstration facilities.

"Sets with 9 in. cathode ray tubes, in the $300 to $400 price range are at present most popular, mirror equipped models slightly outselling the direct-vision type. Table models, 5 in. tube, video only, equipped for plug-in to radio sets are selling comparatively well.

"Distributors and dealers agree that brevity of program periods and quality of the show are handicaps, best programs coming on at night when dealers have little or no chance to make sales. Dealers also grumble at 25% discount, want more profit because it takes more time and effort to make sale. Manufacturers remind that one television sale is equal to profit on a whole flock of small radio sets.

"Substantial improvement in sales is expected when Columbia goes on the air with its Chrysler Building station."

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RCA ISSUES TELEVISION BOOKLET FOR SERVICEMEN

The RCA Manufacturing Co., Camden, N. J., this week issued a new booklet (price 25 cents) entitled "Practicel Television by RCA" for the information and use of television servicemen.

The first publication of its kind, the booklet does not attempt to present an engineering treatise but presents practical aspects of television receiver design installation and service gained by RCA engineers in field tests during the last seven years. It also gives a practical outline of a complete television service.

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NAB SESSIONS TO BE OPEN TO PRESS FIRST TIME

For the first time since its organization, the National Association of Broadcasters will open most of its sessions at the Atlantic City convention July 10-13 to the press, according to Joseph L. Miller, labor and press relations official.

Among the prominent speakers scheduled for the meeting are: James Stahlman, former President of the American Newspaper Publishers' Association; Elmer F. Andrews, Federal Wage and Hour Administrator; and Will Hays, the movie czar, or a representative of his office.

Consideration of the proposed Code of Ethics for the broadcasting industry will be the highlight of the convention.

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HEARING ON INTERNATIONAL RULES MAY BE POSTPONED

The Federal Communications Commission's hearing on its widely-criticized regulations outlining, in general terms, the type of programs which must be broadcast by international radio stations may be postponed from the July 12 date set last week by the Commission.

The date conflicts with the convention of the National Association of Broadcasters, which is to be held in Atlantic City, and the charge has been made that the FCC chose this time for the hearing so it might interfere with the appearance of the broadcasters. Members and officials of the Commission, however, disclaimed any such purpose.

It has been suggested that when the broadcasters file notice of intention to appear at the hearing, they might request a postponement and that in all likelihood it would be granted.

The NAB was the first to file complaint against the new rule and ask a hearing contending the rules smacked of an attempt to invoke censorship. When the Commission granted the hearing, it stated that it acted on the subsequently-filed petition of the American Civil Liberties Union, but opened the hearing to all who desired to appear.

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The increase in radio licenses issued by the British Post Office during April, as compared with the total as at April 30 last year was 359,000 or 4.2 percent on the figure of 8,604,000 recorded on the same date a year ago. The total number of licenses in force at April 30 was 8,963,000. The 536,427 licenses issued during April reflected a net decrease of 5,259 in the number of license holders by comparison with the previous month, after making allowance for expired licenses and renewals.

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RMA TO OPPOSE WAGE PLAN AT HEARING

The Radio Manufacturers' Association will participate in the hearing scheduled July 6 before the Department of Labor at Washington on procedure to establish a minimum wage for the radio and also the electrical industry. Octave Blake is Chairman of a special RMA committee which is seeking exemption for manufacturers of home radio sets, tubes, parts and accessories.

The RMA is not concurring in a suggestion to include transmitters, special custom built receivers, and parts, together with public address systems in the Government procedure relating to a minimum wage for the electrical industry, including the radio interests in a minimum wage finding for the electrical industry. This suggestion has come from Administrator Walling of the Walsh-Healey Act, but the RMA has advised him that the Association does not concur in this proposal. Chairman Blake and the RMA Committee will represent the radio interests at the Washington hearing on July 6th.

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WIRED RADIO STARTS IN ENGLAND NEXT YEAR

Radio by telephone will be available for London, Edinburgh, Birmingham and Manchester at an approximate cost of one shilling a week by the end of the year, according to a correspondent of the New York Times. Earlier announcements suggested that the service would apply only in wartime.

The system is being introduced temporarily as a defense measure, Major George Clement Tryon, Postmaster General, told the Commons last week, since ordinary broadcasting would be subject to tapping and interference in the event of hostilities.

Unlike the existing relay service of the British Broadcasting Corporation, which requires only loud-speakers, the telephone broadcasting system requires receiving sets. The change apparently has been made following the protests of radio dealers, who feared that the extension of the relay system would hit their business.

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Proof of the vast area serviced with American programs by General Electric's newest international broadcast station W6XBE was announced this week when letters received in the same mail reported perfect reception at the southernmost tip of the Americas, within the Arctic Circle, the Orient, the Antipodes, India, and South Africa. W6XBE, a permanent installation in the San Francisco area, is presently located at the Golden Gate International Exposition on Treasure Island in San Francisco Bay.

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DR. KENNELLY, NOTED SCIENTIST IN RADIO, DIES

Radio lost one of its most famed scientists on Sunday when Dr. Arthur Edwin Kennelly, Professor Emeritus of Electrical Engineering at Harvard University and Massachusetts Institute of Technology, and at one time principal assistant to Thomas Edison, died at the Phillips House, Boston, after a long illness. He was 77 years old.

Among his accomplishments was the co-discovery with the English mathematician, Oliver Heaviside, of the ironized layer surrounding the earth, now popularly known as the "Kennelly-Heaviside Layer", which has figured prominently in the technical operations of radio.

A national authority in his field, Dr. Kennelly received the French Cross of the Legion of Honor in 1922 for his work. In 1933 he received the annual Edison Gold Medal for "meritorious achievement in electrical science, electrical engineering and electrical arts". Winners of the medal have included George Westinghouse and Alexander Graham Bell. He also received the gold medal from the Franklin Institute of Philadelphia for his invention of the hot wire anemometer.

A native of Bombay, India, Dr. Kennelly was educated in private schools in France and England and at University College School, London. He served as Professor of Electrical Engineering at Harvard, 1902-30, and at Massachusetts Institute of Technology, 1913-24.

Dr. Kennelly devoted nearly his entire life to electrical work and in his earlier years was chief electrician of a cable repairing steamer and senior ship's electrician for the Eastern Telegraph Cable Company. He was principal electrical assistant to Thomas Edison from 1887 to 1894 and a member of the firm of Houston & Kennelly, Philadelphia, consulting electrical engineers, from 1894 until he went to Harvard. He was also engineer in charge of laying the Vera Cruz-Frontera-Campeche cables for the Mexican Government in 1902.

He was President of the American Institute of Electrical Engineering, 1898-1900; Society for Promotion of the Metric-System of Weights and Measures, 1904; Illuminating Engineering Society, 1911, and the Institute of Radio Engineers, 1916.

Dr. Kennelly was also a corresponding member of the British Association for the Advancement of Science, a member of the National Academy of Sciences and a Vice-President of the American Academy of Arts and Sciences, as well as a member of numerous other scientific organizations. He was the author of nearly a score of books on electrical subjects.

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ZEPHYR RADIO HIT BY FTC ORDER

Orville J. Bond, trading as Zephyr Radio Company, Highland Park (Detroit), Mich., has been ordered by the Federal Trade Commission to cease and desist from representing that radio sets distributed by him will give world wide reception.

In magazines and newspapers the respondent is alleged to have advertised as follows: "Get politics, news, music, market and weather reports on a new Zephyr world-wide, all electric, battery or auto radio. All latest improvements."

Findings of the Commission are that the "Zephyr" radio receiving set advertised to sell at $6.95 is a complete radio set with all working parts and aerial designed as a local receiver primarily for reception in a radius not over 100 miles and will not give world-wide reception; that "world-wide reception" as applied to radio means that a radio is capable of picking up signals transmitted from the major continents of the world and that the respondent's radio receiving set is not capable of picking up signals from the major continents of the world, nor even from remote places on this continent.

The respondent is ordered to cease anddesist from representing that the radio set sold under the name of "Zephyr Radio Receiving Set" or any other radio receiving set similarly constructed, will give world wide reception or that such a set will receive programs broadcast from all continents.

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GERMANY ENCOURAGES LOCAL CZECH PROGRAMS

Under the latest agreement between the Czech Broadcasting Corporation and the German representatives of the Protectorate, the little 1.5 KW Moravian station, Moravska-Ostrava, is now devoted entirely to Czech broadcasting, according to World-Radio.

The programs are popular, and very often of a local folklore character. Some of them are transmitted also by the Prague and other stations. From May 1, 70 percent of the programs of the Brno station are Czech and the rest German. The times are regular, so that Czech and German listeners of Moravia know exactly when to tune in to programs in their mother tongues.

The programs of the main Prague station are also being standardized, and in future the chief features of the programs will be more popular music, more Czech music and folk songs, and longer plays.

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BBC TELEVISION LIMITED TO LONDON FOR THE TIME

The follosing discussion occurred in the House of Commons recently regarding the possibility of the extension of television broadcasting in Manchester, according to the office of the American Commercial Attache, London.

"Mr. E. Smith asked the Postmaster General whether he is aware of the public desire within a 50-mile radius of Manchester for a television service; what are the prospects of such a service; and will he consult with the British Broadcasting Corporation with a view to having a television station constructed on a site that will enable the people of this area to have the opportunity of a television service. Mr. Burke inquired whether the Television Advisory Committee has given any indication as to whether the time has arrived for the extension of television services to centers outside London.

"The Assistant Post Master General replied that the extension of the television service to areas outside the range of the London Station involves serious problems both technical and financial. On the advice of the Television Advisory Committee technical research is being undertaken in regard to possible methods of relaying television programs from London to other centers; but this research work is likely to occupy a considerable time; and it is feared no decision concerning the extension of the service to other centers can be reached in the near future."

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Picketing of Station WMCA, at 1657 Broadway, New York City, which has been done each Sunday afternoon for more than six months in protest of the failure of the station to carry broadcasts of the Rev. Charles E. Coughlin was confined last Sunday to the Broadway side of the building by Deputy Chief Inspector John J. DeMartino, Manhattan Borough commander, who was in charge of 100 policemen at the scene.

With a speech in Spanish by the Director-General of the British Broadcasting Corporation, F. W. Ogilvie, the BBC's special program service for Latin-America will be inaugurated on July 3 in the presence of Diplomatic representatives of all the Latin-American Republics.

The programs of the new transmission, which except for the opening program, will be broadcast from Daventry daily between 6:25 P.M. and 9:20 P.M., E.S.T., under the call-signs GSO (15.18 Mcs, 19.76 m) and GSC (9.58 Mcs., 31.32 m), will include two news bulletins in Spanish and one in Portuguese, and topical talks in both languages - in which, of course, all announcements will be made.

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TIMES SEES KNOTTY PROBLEM IN TELEVISION

Following is an editorial which appeared in the Sunday New York Times:

"The Radio Manufacturers' Association, convened at Chicago, looks sourly on the commercial future of television. And well it may. Though the images sent and received are acceptable, a transmitter has a range of only fifty or sixty miles even when mounted on top of the Empire State or Chrysler Building. To blanket the country with visual entertainment through a national hook-up involves the erection of perhaps several hundred stations, each costing from $100,000 to $500,000. Interconnection can be achieved by short-wave radio, but engineers prefer the coaxial cable, which costs about $5,000 a mile, with at least 90,000 miles needed.

"Assuming that some inexpensive way of hooking up stations will ultimately be evolved, there still remains the obstacle of studio costs. The worst film play that the public will tolerate costs about $1,000 a minute in screen-time. Probably $5,000 a minute is the average for a good screen play. But the most that a national hook-up now costs the advertiser is about $600 a minute, which leaves a satisfactory profit for the broadcasting company. Television studio costs will have to be brought down to about $500 a minute if ordinary broadcasting is any criterion. How that miracle is to be performed in the face of Hollywood's long experience and the public's demand for high-priced actors and elaborate stage settings, no economic soothsayer will venture to predict.

"British experience indicates that the public is not satisfied with mere sketches. It wants full-length plays - a new one every twenty-four hours if possible. And this means a production cost of $300,000 a day. The gross business of the two leading sound-broadcasting companies amounts only to about $90,000,000 a year, which is barely enough to produce 300-hour-long television plays on a Hollywood scale, with nothing allowed for research costs, huge investments in electrical equipment, heavy expenditures for maintenance and technical operation. Hollywood never had to reckon with anything like the productivity that television will demand from authors, actors, engineers, set designers, property men, make-up experts, stage directors and costumers.

"No radio manufacturer now believes that the sale of sets alone can pay the cost of television. Nor does he expect much from the turnover in tubes, though a televisor now has about twenty. It is the advertiser who must pay. But will he? And can he? The present cautious broadcasting of only two television program-hours a week will not answer definitely. Rather will it reveal how strong is the public demand for television and hence the potentialities of advertising. It is the established system of providing entertainment at the expense of 'sponsors' that is actually being tested - not television itself."

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U. S. RADIO SETS POPULAR IN GREEK MARKET

American low-priced radios are popular in the Greek market, according to the Department of Commerce. Effective July 1, three-fourths of the quota for the importation of radio sets into Greece has been reserved for sets priced below 2,500 drachmas, or $21.50.

During the first six months of this year the Greek Minister of Economy authorized a global import quota for radio sets of 40,000 kilos and an extra quota of 20,000 kilos for radio sets of United States origin. It is probable that similar quotas will be established for the remainder of the year.

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MUTUAL NETWORK EXPANDS INTO SOUTHEAST

Expansion of the coast-to-coast network of the Mutual Broadcasting System into the southeastern section of the United States became known this week when it was announced that four stations in North Carolina became affiliated with the Mutual network on Sunday, June 18.

The four stations that joined Mutual on that date are:

WSOC, Charlotte, operating on 1210 kilocycles, 250 watts day, 100 watts night; WRAL, Raleigh, operating on 1210 kilocycles, 250 watts daytime, 100 watts night; WSTP, Salisbury, operating on 1500 kilocycles, 250 watts day, 100 watts night; WAIR, Winston-Salem, operating on 1250 kilocycles, 250 watts daytime.

The addition of these four stations to the Mutual network raises the total to 118 affiliates from coast to coast.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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EDUCATIONAL RADIO PROJECT A SUCCESS, SAYS STUDEBAKER

The educational radio project sponsored by the U. S. Office of Education and aided by the national networks has proved successful in improving relations between commercial broadcasters and educators, in stimulating employment, and training workers, according to a report released this week by Dr. J. W. Studebaker, U. S. Commissioner of Education.

Dr. Studebaker, as Chairman of the Federal Radio Education Committee, recited the following brief history of the project:

"To carry forward the aims of the Government to give work to men and women in need of employment; to restore them to normal employment; and to experiment and demonstrate in education by radio, the educational radio project was established by President Roosevelt, December 19, 1935.

"Working under the rules and regulations of the Works Progress Administration covering wage scales, 19-to-1 ratio on administration, sponsor contributions, etc., the educational radio project has attained objectives set for it.

"Employment: The project has given employment to those in need of jobs in 17 States.

"Worker rehabilitation: It has trained and provided valuable experience which has aided a large number of workers to restore themselves to normal employment.

"Use of radio; It has improved the relations between private broadcasters and educators, and broadened and advanced the use of radio in the service of education and to government, Federal, State and local.

"Chief accomplishments of the Educational Radio Project have been:

"Employment: In 17 States and the District of Columbia the project has given employment to an average of 245 W.P.A. workers per month.

"Training and placement: Training and experience secured on the project have enabled more than 75 W.P.A. workers in Washington and New York alone to move into regular jobs.

"Low per listener cost: Through quality great audiences have been won reducing our costs to less than $10 per 16,000 listeners per half hour.

"Sponsor contributions very heavy: Few W.P.A. projects can show as favorable project-sponsor ratio for expenditures as this: One dollar from the Government to $4 from private industry.

"Largest network: By stressing quality, the Radio Project has secured the largest voluntary network ever assembled for sustaioned educational programs, 107 stations on the Columbia Broadcasting System. This is far larger than most leading commercial program networks.

"Every United States region served: Because of the wide acceptance of project programs by stations and wide local use of scripts, every section of the United States has been able to receive the benefits of this activity.

"Highest radio honors for 1939: Our project is the first Government agency ever to receive the award for presenting the 'outstanding program of the year'. This was voted to Americans all - immigrants all - by the Women's National Radio Committee, representing two score national women's organizations.

"Eight hundred thousand fan letters: Our series are reported to have received a larger response from listeners than any other sustaining programs presented by either the National Broadcasting Co. or the Columbia Broadcasting System. For 3½ years listener mail totals more than 800,000 letters.

"First to preserve network series for schools: This is the first agency to preserve network educational programs for future use through recordings.

"Criticism almost nil: Letters of criticism have been far lower than the network average. Network critical letters run 1 to 2 percent; project critical letters, one-tenth of 1 percent.

"Promoted local productions: We have stipulated the development of local school and college radio producing groups to study broadcasting and to cooperate with local stations. These groups have grown from fewer than 300 in 1936 to more than 800 at present.

"Careful preparation for every program: We have probably given more care to the creation of educational programs than any other agency, commercial or non-commercial.

"Check and review thorough: We check all scripts with advisory and review committees composed of distinguished educators and scientists.

"Competed against best on air: The Project has successfully competed for listener attention with commercial programs costing five to ten times as much to produce.

"Following are major divisions of national and local activities carried on by the educational radio project:

"National educational radio programs presented in cooperation with national chains, local radio stations, Government agencies like the Smithsonian Institution, and national associations like the National Congress of Parents and Teachers.

"Educational radio script exchange, which provides practical assistance to local schools, colleges and radio stations. The exchange lends scripts, supplies suggestions on producing programs, sound effects, and reports other available sources of helps.

"Educational transcription exchange is pioneering in the introduction of these new scientific aids for American education.

"Cooperative research projects are developed in problems of education by radio carried on in cooperation with colleges and school systems.

"Cooperative radio demonstration centers for experimentation in use of radio for education have been sponsored at colleges, universities, and in local school systems.

"Information service on education by radio has been established. This service supplies data on opportunities for training, bibliographies, research programs, new developments, etc.

"Officials of our national radio chains invited the Office of Education to present educational programs of high quality over their facilities. To meet these requests, to conduct experiments and demonstrations in the art of radio applied to education, and to serve national social aims, the Educational Radio Project has presented 11 network radio series. Most notable are:

"(1) Americans All - Immigrants All, a series of 26 half-hour programs to increase tolerance and promote unity among our people by broadening the understanding of the contributions of men and women from many nations to our national life. This was the first Government program to receive the award as 'the outstanding radio program' of the year.

"(2) The World is Yours (now in its third year), a series for the Smithsonian Institution to bringing knowledge of the treasures of that Institution to millions of taxpayers who may never have the opportunity to visit it.

"(3) Let Freedom Ring, a series of 13 programs showing the origin and development of the human rights which have been set forth in the Bill of Rights of our Constitution.

"(4) Wings for the Martins, a series of 26 programs showing modern developments in education as they aid parents in bringing up children. Presented in cooperation with the National Congress of Parents and Teachers and the National Broadcasting Co.

"(5) Brave New World, a series of 26 programs promoting good will with our Latin-American neighbors by helping Americans to know more about Latin-American history, culture, and progress.

"(6) Democracy in Action, a series of 26 programs now being presented to show government at work and the details of the democratic process by which Congress translates the demands of the people into action.

"(7) Local Government at Work, a series of programs created in cooperation with national police, fire, and municipal officer associations. This series will be presented locally to help people understand the work of their local government."

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FCC ACTS IN LOS ANGELES STATION SHUFFLE

The Federal Communications Commission this week announced its proposed decision and order in the matter of the application of Hearst Radio, Inc., licensee of Station KEHE, Los Angeles, Cal., for voluntary assignment of license to Earle C. Anthony, Inc., and the application of Earle C. Anthony, Inc., for authority to move station KECA from Los Angeles to San Diego, Cal., and to assign the license of KECA to Worcester Broadcasting Corporation.

The Commission ordered that the application for assignment of license of Station KEHE be granted, upon condition that license of Station KECA be surrendered for cancellation prior to the operation of Station KEHE by Earle C. Anthony, Inc.

Earle C. Anthony, Inc., in requesting a construction permit to move Station KECA to San Diego, to operate under different call letters, is requesting the Commission to authorize him to construct a radiobroadcast station which he does not intend to construct or to operate. He admittedly is only requesting this authorization from the Commission in order that he may assign it to the Worcester Broadcasting Corp. The application to assign the license of Station KECA to the Worcester Broadcasting Corp. is nothing more than an application to assign the construction permit which is being requested by Earle C. Anthony, Inc.

"The Commission does not deem it in the public interest to grant a construction permit to anyone merely for the purpose of permitting such person to assign or sell the permit to another, nor does the Commission deem it in the public interest to authorize in advance of granting such construction permit the assignment of the permit to a third person", an FCC statement said.

"Insofar as Earle C. Anthony, Inc. may desire to dispose of its station equipment and other physical property which is no longer useful to it because of the acquisition of Station KEHE, and the surrender of its license to operate the facilities of KECA, the consent of the Commission is not necessary. In the instant case, however, Earle C. Anthony, Inc. is not applying for consent to the transfer of the license of KECA to the Worcester Broadcasting Corp., with its concomitant duties and responsibilities, but on the contrary is seeking to obtain a permit to construct an entirely different station to be located in a different city and serve a different area, while at the same time seeking to obtain the consent of the Commission to assign that construction permit to the Worcester Broadcasting Corporation.

"The application for construction permit must be denied since Earle C. Anthony, Inc. admittedly has no intention of constructing a radiobroadcast station in San Diego. For the foregoing reasons, the application for consent to assign license of Station KECA from Earle C. Anthony, Inc., to Worcester Broadcasting Corp. must also be dismissed."

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TELEVISION WON'T SUPPLANT RADIO, DR. BAKER SAYS

Television will no more supplant radio than the telephone did away with the telegraph, according to Dr. W. R. G. Baker, Manager of the Radio and Television Department of General Electric.

"In London, where programs have been on the air for more than two years, the demand for radio sets has actually increased", said Dr. Baker in addressing the General Electric Science Forum.

Dr. Baker stated that he believed that television would supplement radio, but would never replace it. He said that he felt that the sale of radio sets would actually increase in this country with television, as has been the case in England, as soon as the confusion about television has been removed from people's minds.

In forecasting television's future, he said that he thought that it would be tremendous, in that it will make it possible for the family to enjoy baseball, football, sporting events of every kind, the theatre, and most all other forms of entertainment at home.

In looking ahead, Dr. Baker said, "Let us visualize America six or eight years from now, by which time we may assume that television facilities will have pretty well covered the country, and television receivers will be standard equipment in millions of homes.

"Instead of going to the Motor Shows to see the new cars, we can sit comfortably in our living rooms and see the new models paraded and demonstrated. The automobile manufacturer can take us behind the scenes in his factory and show us any step or process in the making of a car.

"We can step into the car by proxy and examine every detail of its interior, then slip into the driver's seat and go places.

"And the ladies will be able to view the season's new hats and gowns paraded on live models, see interesting cooking demonstrations, receive lessons from experts in interior decoration

and gardening, and see all manner of products and appliances in actual use with conversation and action", said Dr. Baker.

"It may also be assumed that your favorite department store will show you all its wares via television so that you may take notes on the items and prices, phone in your orders and escape all the terrors of bargain rushes."

He predicted that television may become America's next big industry. "A wide variety of apparatus is required, transmitters must be built, television camera, studio equipment, camera tubes, picture tubes, receivers, antennas and filmed programs by the thousands must be created and produced", he said.

"Big industries are not created over night, and television may require years od development before it attains such magnitude", he concluded.

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EDUCATIONAL STATION HIT IN FCC DENIAL

The Federal Communications Commission this week announced its proposed findings of fact and conclusions, proposing to deny the application of the Moody Bible Institute Radio Station, Chicago, Ill., for a permit to construct a new non-commercial educational broadcast station to operate on frequency 41,300 kc. with power of 100 watts, unlimited time.

The Commission's proposed conclusions pointed out that the applicant proposed to operate the station simultaneously with its present Station WMBI, during such hours as WMBI is now authorized to operate and that furthermore, as stated by applicant's witness, the same program would be carried by both stations, at least in the beginning. Also that out of the forty hours WMBI is at present authorized to operate, only four hours per week are used for educational purposes.

"While the rules governing the operation of this class of station do not require a minimum number of hours of operation", the FCC added, "Rule 1058, which defines the purposes of non-commercial educational broadcast stations, contemplates the full time availability of the educational facility without restriction, and it is not the purpose thereof to provide a facility simply to be used as a supplemental means of disseminating such educational service as a licensee may not desire or may not be able to transmit over its presently licensed regular broadcast facilities.

"Also the applicant does not meet the requirements of Rule 45.02, in that it does not propose transmission of programs directed to specific schools in a system for use in connection with regular courses."

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NBC DOUBLES HOURS FOR TELEVISION

A new television program schedule, more than doubling the number of program hours offered to home viewers by the National Broadcasting Company over Station W2XBS, was announced this week by Alfred H. Morton, NBC Vice-President in Charge of Television.

Under the plan, evening studio telecasts from Radio City are increased to three a week. Two were telecast formerly. These studio programs, which include several features of one hour's duration in the near future, will be transmitted on Tuesday, Thursday and Friday evenings, from 8:30 to 9:30 P.M., EDST. Outdoor telecasts, relayed by the NBC mobile television station from World's Fair and other points in and about New York City, will likewise be stepped up to three hours weekly. These will be seen and heard Thursday, Friday and Saturday afternoons, according to Mr. Morton.

An innovation in the new NBC schedule will be four noonday transmissions a week from the television studios at Radio City. Comprising a wide variety of interview, educational and entertainment material, they will be telecast at noon on Tuesday, Wednesday, Thursday and Saturday. Each will be of one hour's length and will include a half hour of selected film subjects.

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FCC APPROPRIATIONS RUSHED THROUGH COMMITTEE

Confronted with the possibility that the Federal Communications Commission might be without operating funds on July 1, the House Appropriations Committee this week agreed to include the FCC appropriations in a special resolution to be rushed through the House and Senate.

The amount of the appropriations was not known as this was written, but it was understood to be approximately the same as the current year's appropriation.

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It is reported that All-India-Radio has sanctioned the renovation of the Calcutta studios as well as providing funds for a radio center and relay apparatus. The Director of the Calcutta station stated, according to a press release, that the improvements when carried out will include four new studios, additional accommodations for rehearsals and waiting rooms, a sound-effect studio, an up-to-date control monitoring unit and recording equipment.

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STATION LICENSE PERIOD EXTENDED TO ONE YEAR

Culminating several years' agitation for longer license periods, the Federal Communications Commission this week voted to extend all broadcasting permits from six months to one year.

Acting upon a recommendation of its own Committee on Rules, the FCC amended Section 31.14 of the Rules and Regulations under authority granted it in Section 307 (d) of the Communications Act, as amended.

The action affects all of the 735 standard broadcast stations now operating in the United States and territorial possessions.

The Communications Act permits the issuance of three-year licenses, but the FCC has consistently rejected all pleas for extensions to the full limit allowed by law. Broadcasters have concentrated on the demand for one-year licenses with the argument that they would lend more stability to the radio industry.

Elliott Roosevelt, son of the President, when he testified recently in the FCC chain-monopoly inquiry, suggested that the substitution of permits of convenience and necessity, such as are given to public utilities, might be preferable to periodical licenses.

The licensing of stations for six months periods has been linked with charges of radio censorship frequently on the ground that the FCC was able to exercise a punitive power on stations which broadcast programs that displeased the Commission.

The Commission was meeting Friday on other proposed changes in its rules.

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NEW ZEALAND NEAR RADIO SET SATURATION POINT

New Zealand, according to an announcement by the Postmaster-General is nearing the point when every houshold in the Dominion will have a receiving set. Already over 84 percent of the households are so equipped. Ten years ago this proportion was 14 percent, but in the last five years the advance has been 49 percent and if this rate is maintained the time when every household will have its receiving set is less than two years ahead.

There were 317,523 receiving licenses on May 1, and renewals are now being made at an unchanged fee of 30s. per annum. Broadcasting stations have substantially decreased in number since the State took complete charge of this service in 1932. The policy of eliminating privately-owned broadcasting stations by purchase has resulted in the disappearance of 31, and only two small transmitters are now operating. The State-owned stations number 21.

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TRADE NOTES

Collections last May of the 5 percent Federal radio tax, a barometer of sales, continued the upturn which began in January, according to Bond Geddes, Executive Vice-President of the Radio Manufacturers' Association. May collections of the radio tax, according to the current report of the U. S. Bureau of Internal Revenue, totaled $279,302.71, nearly as much as the preceding month of April, and were 41.7 percent above the radio tax collections of May 1938, which were $197,050.28. There was also a large increase in excise tax collections on mechanical refrigerators, which amounted last May to $1,163,257.00 against $708,158.47 in May 1938.

America's first television equipped privately-owned trailer, designed and constructed by Myron C. Zobel, wealthy sportsman and advertising executive, made its initial public appearance in Radio City on Saturday, June 17, where it was inspected by the National Broadcasting Company officials. The land-yacht, containing an RCA Victor table model television receiver and every other known household convenience compactly installed, enables its occupants to enjoy television and sound broadcasts.

The Radio Manufacturers' Association is distributing widely a new brochure, prepared by the Association's Engineering Department, entitled "Wanted -- Better Radio Facilities". The necessity of adequate power and cleared channels for satisfactory broadcasting service is detailed in non-technical form and illustrated graphically, in the new RMA booklet. Copies have been sent to all members of Congress, officials of the Federal Communications Commission, of broadcasting stations, and many other organizations and persons interested in the problem of improving radio service to the public. Additional copies are available upon request to RMA headquarters, 1317 F Street, N.W., Washington, D.C.

May billings on WEAF and WJZ, New York, were 67 percent ahead of May, 1938, with the cumulative total for the first five months of 1939 showing an increase over last year's comparable period of 20 percent.

A unique radio law in South Carolina protects hospital patients from unnecessary radio disturbance. A bill by Representative Bates was enacted making it a misdemeanor in South Carolina "for any person to operate any radio or other musical instrument in such a manner that it annoys or disturbs any patient confined to a hospital or sanitarium". The penalty for such a misdemeanor

would be a fine of $100 or imprisonment up to thirty days. This novel legislation was proposed although radio facilities, including earphone attachments, or built-in pillows, are now general hospital equipment for the diversion and, in some asylums or sanitariums, even for treatment of patients.

The appointment of Edward R. Hitz, network salesman, as assistant to Roy C. Witmer, NBC Vice-President in Charge of Sales, was announced by Mr. Witmer this week. As assistant to the Vice-President, Mr. Hitz will coordinate all general sales operations in matters of policy, rates, acceptability of accounts, commercial programs, special service, facilities, adjustment credits, etc., within the sales divisions and will act as point of contact with other departments of the company. He succeeds James V. McConnell, recently transferred to the Stations Department to head NBC national spot and local sales.

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CHICK HATCHING CAUSES DUTCH SETS TO CACKLE

Radio interference has on various occasions served for detective purposes, but it recently came into a new use, according to World-Radio.

At Barneveld, the great egg market of Holland, a number of people in the main street complained to the authorities that there were unusual disturbances on their wireless sets. These disturbances they were unable to describe with any accuracy. At the same time suspicion was aroused by the sale of chickens which were not from any of the registered poultry farms. This suggested to the police that the disturbances were caused by an electric incubator. Investigations, made largely with the "Disturbance-seeking waggon", proved this conjecture to be correct, and the police were able to trace the incubator just at the moment when a number of unauthorized chickens were making their first appearance in the world.

The capacity of the incubator was officially 2,400 eggs; its capacity as a cause of radio disturbances was not officially calculated, but it is stated to have been very considerable. And the listeners of Barneveld have now no difficulty in hearing the stations with which they make contact.

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ONLY RCA TO PUSH TELEVISION SALES

With the exception of RCA, radio manufacturers who are introducing television receivers will not promote them vigorously for the coming year, according to comment by retailers, the New York Times reports. RCA, of course, is seriously concerned with the transmission of television programs through NBC and is therefore anxious to push both the shows and the receivers. The television set manufacturers, such as DuMont, which are concerned only with that product, will naturally push them aggressively.

But radio manufacturers, who have a large investment in that field, are anxious to maintain sales volume at a high level and, accordingly, are more desirous of pushing radio than television. Improvements are numerous in the 1940 lines, the chief one being the elimination of aerials and ground wires. It was significant that last week at the Bridgeport showing of the new General Electric radios, dealers were warned not to devote too much attention to television. Other companies are also expected to place emphasis on the fact that radio will be the chief medium of home entertainment for a long time to come.

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PROPAGANDA PROGRAM EXCHANGE STARTED IN EUROPE

The Romanian broadcasting company, according to a correspondent of World-Radio, has recently initiated a plan for the inter-State exchange of propagandist programs. Those States which are party to the scheme will arrange programs of music and text in the language of the country of destination, and such programs will be recorded and despatched to the appropriate broadcasting authority. In some instances exchanged programs will be transmitted simultaneously - i.e., Brussels might broadcast a Roumanian recorded program and Bucharest would radiate one which had been despatched from Belgium. Thirty countries, up to the present, have signified their readiness to participate in this circular scheme.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

RECEIVED JUN 28 1939

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No. 1136

June 27, 1939

HOUSE PASSES FCC BILL, REJECTS S-W RULE BAN

The House of Representatives on Friday passed a Special Deficiency Appropriations Bill carrying $1,838,175 for the Federal Communications Commission after rejecting an amendment to prevent the Commission from enforcing its recently promulgated rules governing international broadcast stations.

The passage of the Supply Bill was preceded by brief attacks on the FCC by Representatives Wigglesworth (R.), of Massachusetts, and Dirksen (R.), of Illinois. Congressman Wigglesworth made a renewed plea for a House investigation of the FCC, while Representative Dirksen offered the amendment to tie up the international rules.

The FCC appropriation, held up because of a promised legislative reorganization that has never materialized, is $200,000 less than the amount recommended by the Budget Bureau but $93,175 more than the agency had for the current year. Most of the expansions proposed by Chairman Frank R. McNinch will not be possible with the limited funds.

"The increases asked in the estimates", the Committee explained, "contemplated additional personnel in the administrative, engineering, legal, and accounting divisions, additional equipment in connection with engineering work, and enlarged expenses for travel and miscellaneous purposes.

"The Committee has not approved increases in any particularity, but in making the general increases of $100,000 in the item for salaries and expenses has in mind the very important phase of its work developing around the engineering, legal, and accounting sections of its functions."

Representative Dirksen's amendment, which was defeated 43 to 27, provided that none of the appropriations might be used to enforce the FCC order of May 23 relating to international short-wave broadcasting.

In explaining the amendment, Representative Dirksen said:

"Mr. Chairman, I bring this to the attention of the Committee today largely because there has been a considerable tempest about the order of the Federal Communications Commission issued on May 23 relative to international broadcasting. No hearings were held on the order. The purport of the order, of course, was to let the international broadcasting agencies know precisely what they could broadcast and what they could not broadcast.

"I just want to read a portion of the language employed by the Commission, and I think it is very unfortunate language, found in paragraph (a) of the order issued on that day:

"'A licensee of an international broadcast station shall render only an international broadcast service which will reflect the culture of this country and which will promote international good will, understanding, and cooperation.

"Mr. Chairman, when you seek to interpret language of that kind it virtually means there may be a minority view with respect to something in which South America is interested; yet if it does not subserve the interests of good will, understanding, and cultural relations, it would mean that a minority viewpoint could not be expressed. It is so easy to translate that kind of authority, and that kind of criticism, and that kind of restriction from the international field to the national field. My good friend the gentleman from Michigan is sitting here, and he is, no doubt, familiar with the bills introduced to set up a Federal broadcasting system. There is one pending at the present time over on the Senate side in the Foreign Relations Committee. It was introduced by a Senator and asks for $3,000,000 with which to set up such a station. It has gotten so far now that it is pending before a committee.

"We had a bill pending on the House side a year or two ago introduced by the gentleman from New York (Mr. Celler). It is rather interesting in connection with the testimony that was offered on the bill to set up a Federal broadcasting station to note that the statement was made in the course of the testimony that it would be effective in transmitting programs to all parts of the United States. In other words, it is set up as an instrumentality of international good will, but the programs may be received in this country no less. We clap on restrictions and a kind of censorship which can be easily translated to every other broadcasting agency of the country.

"There was a gentleman named Mr. T. A. Walters who testified before the House committee at that time who was formerly employed in the Department of the Interior. He submitted a written memorandum to the committee, but he was in the Department of the Interior when that memoranda was written. Among other things he mentioned was the usefulness of providing programs of national interest. So that if this was ever passed by the Congress, it would mean ultimately some kind of censorship. They did that in Great Britain. On the 7th day of June British broadcasting was taken over by the British Government. They even supervise news over there today.

"When those in the broadcasting field finally raised their voices to the high heavens, the Federal Communications Commission relented and decided there should be a hearing on the 12th day of July, but it was not until the steam had been turned. It may be after hearings are held, and they may be very perfunctory hearings, that this rule will continue to stand.

"It is my opinion that limiting restrictions ought to be placed in this bill, so that no portion of the funds herein made available may be used to effectuate or to enforce the provisions of the order of May 23. It is very unfortunate in the choice of language for one thing, and, secondly, it is a disturbing factor

and it is a poor approach to this problem by the Federal Communications Commission. That Commission should not be permitted to impose what amounts to censorship on international broadcasting.

"Mr. Chairman, when we had the members of that Commission before the Independent Offices sub-committee along in January, my colleague the gentleman from Massachusetts (Mr. Wigglesworth) and I examined into radio matters quite thoroughly. We did not want to be unkind. But things have not been right down in the Communications Commission and that is the reason no appropriation was included in the regular bill. Therefore this urgent deficiency bill carries $1,800,000. It seems to me that restriction ought to be placed in this bill so this foolish, nonsensical, and ill-advised order of the Commission may not be enforced. That is the purpose of the amendment which I have offered."

Representative Woodrum (D.), of Virginia, who was in charge of the bill, asked that the amendment be defeated. He said he believed a majority of the House didn't know what the rules were all about.

"I heard the testimony at the hearings", he said, "and this question is about as clear as a hunk of mud."

Representative Wigglesworth, in making a new plea for an FCC probe by the House, said, in part:

"In my judgment, we have today no proper policy in regard to the issue and transfer of licenses. We have no proper policy in regard to the charging of fees for licenses issued to those making millions and millions of dollars out of those licenses today. We have no proper policy in reference to the matter of exclusive contracts, for example, with members of the three great chains in the country. We have no proper policy in respect of the issue of experimental licenses and their limitation to experimental work as distinct from commercial work. We have no proper policy in reference to the control of radio frequencies by the newspapers of the country. We have no proper standards of program service, despite the thousands of complaints received in this connection by the Commission. On the contrary, we have seen steps taken by the Commission recently, both in the domestic and international fields, which have served to level charges at their door of embarking upon censorship of both domestic and international broadcasting.'

.....

"In the hearings to which I refer you will also find, in my judgment, evidence of tendencies tending to destroy the proper functioning of the F.C.C. as a quasi-judicial agency, tending to destroy its independence as an agency, tending to bring it under executive domination in accordance with the proposal in the original Government reorganization bill a year ago, which excited such condemnation by the American people.

"You will find there the discharge of the general counsel, with a new legal set-up less experienced and more costly. You will find there the discharge of the publicity head, with a new set-up less experienced and more costly."

.....

"Mr. Chairman, you will find there also the abolition without consultation with the Civil Service Commission of the experienced Civil-Service examiners who have functioned heretofore and the turning over of their entire work to the general counsel's staff, with the result that the applicant today is deprived of the type of independent hearing and finding of facts by an expert and independent examiner which he has always enjoyed in the past. Instead, the applicant from start to finish is in the hands of the general counsel, the Commission being, of course, relieved of any embarrassing finding in any examiner's report. It is the same story again, in my judgment, of prosecutor, jury, and judge becoming one and the same."

.....

"You will find in the hearings also, Mr. Chairman, continuing evidence of the virtual monopoly of radio fostered by the Government under the F.C.C. in the hands of the three great broadcasting chains of this country. You will find continuing evidence of undesirable, if not improper trafficking in radio licenses, with all the possibilities for the capitization of those licenses, to the detriment of the people as a whole, which we have known in other fields.

"You will find evidence of a telephone investigation conducted on such a basis that those examined were denied the right to produce their own witnesses, were denied the right to cross-examine Government witnesses, and for a long period of time were denied the right to consideration of about 40 volumes of comment and criticism which they had submitted at the request of the Federal Communications Commission. The methods employed in this investigation were such to my mind as to raise squarely the question whether it is humanly possible for the F.C.C. to give to Congress a 'fair and comprehensive' statement of all the facts in the field investigated in accordance with the mandate from Congress.

"You will find evidence of continual dissension and disagreement within the Commission. You will find charges of inefficiency, favoritism, and politics. These and other things you will find if you will consult the hearings to which I have referred.

"Mr. Chairman, as the members of this Committee know, I have for years advocated a thoroughgoing investigation of radio broadcasting and its regulation by F.C.C. I have advocated it because I believe it to be essential for the proper regulation of this all-important industry in the interest of the people as a whole."

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NEW RULES ARE APPROVED BY FCC

The Federal Communications Commission last Friday approved new Rules and Regulations governing Standard Broadcast Stations. The new rules become effective on August 1, 1939, except as otherwise provided in the terms of theindividual sections.

Hearing on the proposed new rules and regulations were held from June 6 to June 30, 1938, before a Committee composed of Commissioners Norman S. Case, Chairman, T.A.M. Craven and George Henry Payne. The new rules are the outgrowth of these hearings

and the recent report on Rules and Standards of Good Engineering Practice concerning Standard Broadcast Stations which was released in two parts, the first appearing January 18, 1939, and the second, April 7, 1939. Oral Argument on these Rules and Standards was held before the Commission on June 1, 1939.

The recommendation in the report of the Committee for the adoption of these Rules and Regulations and Standards of Good Engineering Practice was, with a few modifications, unanimously approved by the Commission.

The new rules and regulations contain several new provisions, as well as numerous changes and clarifications necessary due to progress in the art since the original rules governing standard broadcast stations were promulgated some 10 years ago.

Under the new rules, the license period of Standard Broadcast Stations is increased from six months to one year. The instability created by the delay of Mexico in ratifying the North American Regional Broadcasting Agreement was a factor in the Commission's decision not to extend the license period of broadcast stations to a term greater than one year at this time. Under the Communications Act of 1934 the Commission is empowered to grant licenses for any period up to three years.

The new regulations change the classes of stations from Clear Channel, Regional, and Local, to Class I, Class II, Class III and Class IV. The Class II station is a new class recognized for duplicate operation on clear channels for the purpose of extending urban service.

The new rules permit the increase of the maximum night power of Class III stations to 5000 watts and the maximum night power of Class IV stations to 250 watts. The present night power limitation on these stations is 1000 watts and 100 watts, respectively.

The number of clear channels allocated for the exclusive use of stations at night, under the new regulations, is reduced from 40 to 26, and in addition, 18 clear channels are made available for duplicate operation either of Class I stations or Class I and Class II stations.

In view of the uncertainty in regard to the North American Agreement the Commission deemed it inadvisable to reduce the number of unduplicated clear channels at this time to less than 26. However, the provisions for the allocation of frequencies follow closely, but do not duplicate, those enumerated in the North American Regional Broadcasting Agreement. In general the new rules are designed to extend and improve broadcast service in the United States through an increase in signal in urban areas and an increase in coverage in rural areas.

The Commission feels that the new Rules and Regulations, together with the Standards of Good Engineering Practice, are a distinct contribution to the science and art of radio. Drawn up with the cooperation of the industry and the foremost radio engineers in the country, the new rules and standards give to the people of the United States and its possessions the technical basis for the finest radio service in the world. The advantages of this service, however, cannot be fully realized until the North American Regional Broadcasting Agreement is ratified and made effective.

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NAB HIRES COUNSEL FOR S-W HEARING

The National Association of Broadcasters has retained Swagar Sherley as special counsel for the FCC hearings in regard to the recent regulations concerning international short-wave broadcasting. Mr. Sherley was a former member of Congress.

A petition will be filed requesting (1) a postponement of the date of the hearing which is now set for July 12, because it conflicts with the NAB convention in Atlantic City; (2) that the scope of the hearing be enlarged to include all the regulations recently issued; and (3) that the operation of the regulations be suspended pending the hearings. In addition, each of the seven operators in the international short-wave field will file individual appearances.

These developments came as a result of the meeting of the NAB International Short-Wave Committee which met last week in New York City at the call of Neville Miller, President of the NAB and Chairman of the Committee. Those present were: Frank Mason, Frank Russell and P. J. Hennessey, Jr., of the National Broadcasting Company; Dr. Charles B. Jolliffe of Radio Corporation of America; Harry Butcher, Frederic Willis, Paul Porter and A. B. Chamberlain of the Columbia Broadcasting System; Dr. Leon Levy, WCAU, Philadelphia, Pennsylvania; Walter Evans and J. B. Rock of Westinghouse Broadcasting Stations; Jack Poppele, WOR, New York City; Joseph Reis, WLW, Cincinnati, Ohio. From NAB headquarters were Edwin Spence, Secretary-Treasurer; Andrew Bennett, Counsel; and Ed Kirby, Director of Public Relations.

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Work has just started on the erection of a new broadcasting station in central Sweden at Stora Tuna, in Dalecarlia. The new station will improve receiving conditions in the central districts, which hitherto have not been well covered by the transmitter at Motala. The transmitter will have an output of 100 KW and the aerial is supported by a single mast, similar to those at Horby (Sweden) and Stagshaw. The new station is to start transmitting in the Autumn on a wavelength of 258.8 m., (1,159 kcs.)

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6/27/39

WLW LOSES SUPER-POWER APPEAL IN COURT

The Crosley Corporation, operating station WLW, Cincinnati, lost in the United States Court of Appeals of the District of Columbia Monday its battle to force the Federal Communications Commission to restore its experimental superpower of 500,000 watts. The Court dismissed the appeal for lack of jurisdiction.

The first station in the United States to operate with 500,000 watts, which gave it an effective signal substantially throughout the country, WLW, by FCC edict, returned to 50,000 watts status. It had operated with "special experimental authority" for super-power for nearly five years, but the Commission concluded that the experiments were no longer necessary and that social and economic implications of the superpower authorization were such as to warrant cancellation.

In the majority opinion Chief Justice D. Lawrence Groner held that nothing in the Commission's action warranted the contention of WLW that the decision was arbitrary or capricious. Moreover, he stated that the WLW appeal "wholly fails to take into consideration the nature of its agreement and the obligations assumed" in accepting an experimental authorization, terminable at the will of the Commission.

Associate Justice Harold M. Stephens, in a separate opinion, concurred with the majority, but disagreed "with the reasoning because of certain implications therein". He held that the majority should have limited itself to whether the "special experimental authorization" was void or whether it was a kind of license not subject to review or appeal. The majority opinion as written, he contended, implied that the Commission "has power to issue and terminate special experimental authorizations without conformance to the provisions of the statute for notice, hearing and review, and that the Commission can by contract with a licensee render ineffective and inapplicable those provisions". He added that he thought the court ought not to rule until necessary on such "grave questions as are involved in the alternatives stated".

In another opinion, the Court affirmed the FCC in denying to Station KFUO, St. Louis, operated by the Evangelical Lutheran Synod of Missouri, half-time on the channel which it now occupies with Station KSD, of The St. Louis Post-Dispatch. KSD now uses 80 percent of the time and KFUO the balance.

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NBC, CBS, AND MBS PROGRAMS PRAISED IN POLL

Awards for excellence of radio programs and services were given to the National Broadcasting Company, the Columbia Broadcasting System, and the Mutual Broadcasting System Monday night in New York by the National Federation of Press Women as the result of their 1939-40 nationwide poll.

Seventeen first awards, including thirteen in the eleven regular program classifications and four special awards were given to NBC. Nine CBS programs won certificates of merit in their respective groups.

Two of the awards were given all three networks for the "Salute of Nations" to the New York World's Fair" series.

The Certificates of Merit were presented during a broadcast over NBC, CBS and MBS from the Federation banquet at the Waldorf Astoria Hotel.

A special Certificate of Merit for the Toscanini concerts was awarded to David Sarnoff, President of the Radio Corporation of America and Chairman of the Board of the National Broadcasting Company, for "Disregarding the popular fallacy that radio listeners have the average mentality of children; and for having had the courage to inaugurate a sustaining program series of symphony concerts under the leadership of world-famous Arturo Toscanini. This major step is another indication of the vision of the man, who has many firsts to his credit in the radio industry.

The Columbia Broadcasting System was given a special certificate for its broadcasts of the New York Philharmonic Orchestra, and William B. Shirer, CBS Central European representative, won a special certificate for his reporting of European news.

Alfred J. McCosker, Chairman of the Board of MBS, received a special certificate for rebroadcasting European news bulletins during the European crisis last Fall; and the Mutual Broadcasting System and Alfred Wallenstein each received a special certificate for the Sinfonietta program.

The National Broadcasting Company and CBS each received a special certificate for "Those nation-wide religious programs that have contributed nationally to the upbuilding of character, to the formation of attitudes of reverence for the great and the good, and to a better understanding among peoples of all faiths."

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FIVE NATIONS SHARE RADIO RIGHTS FOR CLIPPER FLIGHT

Aeronautical radio services of five nations, coordinated into a single operating unit, will form the communications and directional network to guard the first trans-Atlantic air passengers who boarded the Dixie Clipper for the first scheduled air transport service between the United States and Europe, according to the New York Times.

Protecting any right that might benefit its own national transport enterprise in the competitive field, no nation was willing to authorize the air transport system of another country to establish air bases, weather bureaus, radio stations or other technical facilities on its sovereign territory. Similarly, the United States would not permit a foreign airline to establish facilities on its territory.

The problem was overcome by exchanging the available facilities controlled by one company for those required in the territory of another. In the twelve years that Pan American Airways System has been established it has been required, under American law, to provide at its own expense all airways and base facilities and weather, radio, navigation and other technical aids for flying beyond the borders of the continental United States.

On the other side of the ocean these facilities are provided for Imperial Airways in Great Britain, for Air France in France and for Deutsche Lufthansa in Germany by the respective governments through governmental agencies.

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WARSAW BUILDING "MOST POWERFUL" STATION

The American Commercial Attache at Warsaw reports that the power of the government owned and operated station of "Polskie Radio", Warsaw I, Raszyn, which has been operating on 120 kw. will be increased 250 percent to 300 kw. at the antenna, thereby becoming one of themost powerful stations in the world. No definite information as to when this increase will be put into operation is yet available, it being understood that some difficulty is being encountered with wave-length allotment.

Construction work on the enlargement of the present quarters is being rushed and the building is expected to be finished this month. The capacity of the present building is reported to be 4,000 cubic meters and that of the addition to be 7,000 cubic meters.

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TRADE NOTES

Reprints of an article by David Sarnoff, President of the Radio Corporation of America, in the Journal of Applied Physics on "Probable Influences of Television on Society" are being distributed by RCA.

Broadcast service to South America, Asia, and the Antipodes from General Electric's West Coast shortwave Station W6XBE, located at the Golden Gate International Exposition on Treasure Island, San Francisco Bay, have been practically doubled, according to C. H. Lang, Manager of Broadcasting of General Electric. Mr. Lang also announced that the company's short-wave station W2XAF at Schenectady had added 10 additional hours to the existing weekly schedule of programs for the Spanish-speaking listeners in Central America and the western half of South America.

Harry C. Butcher, Vice President of the Columbia Broadcasting System in Washington, is Chairman of a Special Committee of Washingtonians who are planning a dinner for District Commissioner George E. Allen July 7th at the Burning Tree Country Club, near Washington.

The American Trade Commissioner at Calcutta reports that although there are several automobiles in Calcutta equipped with radios, and dealers were just starting to explore this field, the Governor has sanctioned an amendment to the Calcutta and Howrah Motor Vehicles Rules which bans the use of radios in both Calcutta and Howrah Motor Vehicles Rules which bans the use of radios in both Calcutta and Howrah. The authorities feel that apart from the resultant noises, the tuning of radios in automobiles is fraught with possibilities of accidents, since the motorist's attention is likely to be directed to the program rather than the careful operation of the vehicle, the report stated.

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WALKER RENOMINATED FOR SEVEN-YEAR TERM

Commissioner Paul A. Walker of the Federal Communications Commission was renominated for a 7-year term this week by President Roosevelt and the Senate Interstate Commerce Committee after an executive session voted to report the nomination favorably. Commissioner Walker was not questioned by the Committee.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET WASHINGTON, D. C.

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No. 1137

JUL 5 1939

June 30, 1939.

MORE THAN THIRD OF STATIONS OPERATE AT A LOSS

A comprehensive statistical analysis of the broadcasting industry, released this week by the Federal Communications Commission, reveals the following surprising facts:

More than a third, or 240 out of 660 stations, operated at a loss in 1938.

Net income of three major networks and 660 stations from all sources was $62,010,215, of which only $20,153,115 related to broadcasting.

The 419 stations reporting profits had an income of $16,728,195.

The three major networks and 660 stations had $72,961,659 invested in broadcasting assets and total assets of $1,068,339,901.

One of the surprising features of the report, drawn up by the Accounting, Statistical and Tariff Department from information supplied by the licensees in response to questionnaires, was that $53,672,999 in aggregate income was derived from business or activities other than broadcasting.

The tables show that there were 764 licenses and construction permits outstanding at the end of the year, classified as follows:

660 station reports used in the tabulations
40 construction permits
38 non-commercial stations
12 located in territories
14 not used because of defects in reporting

The 660 stations reported in the tabulation include 240 stations from which not enough revenue was derived during the year to pay their actual expenses, including depreciation. Those 240 stations showed losses in the aggregate amounting to $2,223,195. The 419 stations reporting profits showed broadcast income of $16,728,533. One station reported neither a profit nor a loss for the year.

The tabulations include 175 stations each of whose time sales were less than $25,000. As a group these 175 stations showed a loss, their aggregate broadcast revenues being $2,520,026 and their aggregate expenses (inclusive of depreciation, taxes other than income taxes, etc.) $2,870,729. However, certain of these stations showed a profit.

Other compilations from the reports show that 658 of the stations and networks had a payroll for the year amounting to $45,663,757. Of this amount, $4,239,470 was paid to officers of the licensee companies. As of December 31, 1938, these stations and networks employed a total of 23,060 persons, including staff musicians and other artists on the regular payroll.

During the week beginning December 11, 1938, there were 18,359 full-time employees with a total payroll for the week amounting to $830,003. During the same week there were 4,377 part-time employees, drawing a total for the week in the amount of $103,134. The average compensation for the week beginning December 11 was $45.20 (18,359 employees), compared with $45.12 (17,085 employees) for the week beginning March 6, 1938. For part-time employees, the average compensation was $23.55 (4,377 employees) for the week beginning December 11, 1938, compared with $18.97 (5,820 employees) for the week beginning March 6, 1938.

The combined income statement of the three major networks and 660 station licensees showed the following revenue and expenses from broadcasting activities:

(a) Revenues		
1. Network portion of network time sales		$ 35,455,510
2. Time sales by stations	$82,669,401	
Less: payments to other stations	745,452	81,923,949
3. Total time sales by networks and stations		117,379,459
4. Deduct: Commission to agencies, representatives, and brokers		16,487,200
5. Net revenue received from sale of time		100,892,259
6. Sale and placing of talent		6,081,344
7. Recoveries by networks from others on communication line charges		1,085,469
8. Miscellaneous sales and revenue services		3,278,836
9. Sustaining programs sold to stations		20,470
10. Total revenues of networks and stations		111,358,378
(b) Expenses		
1. Technical expenses		13,048,588
2. Program, talent, and communication line expense (including sustaining programs purchased, royalties, and similar items)		38,196,994
3. Advertising, promotional, and selling expenses		9,963,136
4. General and administrative expenses		15,088,718
5. Other direct broadcast expenses		5,209,099
6. Indirect broadcast expenses (depreciation, amortization, taxes, uncollectible revenue, and rents)		10,997,059
7. Total broadcast expenses		92,503,594

Assets listed for the three major networks and 660 licensees, including one major network not the licensee of any station, were:

Assets:		
Current assets		$408,133,556
Investment(at cost) in broadcast assets	$72,961,659	
Less: depreciation to date	26,183,672	46,777,987
Investment in assets other than broadcast plant (after depreciation and amortization)		561,274,054
Other asset side items		52,154,304
Total assets		$1,068,339,901

Liabilities:	
Long-term debt	$ 61,997,823
Current liabilities and accruals	80,784,658
Net worth	821,536,191
Other liability side items	104,021,229
Total liabilities	$1,068,339,901

Included in the amount of $46,777,987 shown above as the net amount of broadcast assets there were reported by licensees the following:

Goodwill	$11,526,179
Excess of purchase price of broadcast plant over its net book value in the hands of vendors	714,326
Total	$12,240,505

The condensed general balance sheet of the major networks at the close of the year 1938 showed:

Assets:	
Investments - broadcast	$13,411,102
Investments - nonbroadcast	627,722
Total investments (net) (sum of lines 1 and 2)	14,038,824
Current assets (net)	13,048,668
Prepaid payrolls and other service charges	497,225
Deferred charges and unclassified debit balances	115,447
Assets not classified above	219,583
Total assets	$27,919,747

(more)

Liabilities:		
Long-term debt		$1,959,200
Current and accrued liabilities		10,040,413
Provissions for deferred payments, deferred credits and unclassified credit balances		181,025
For a corporation		
(a) Capital stock issued and outstanding	$6,997,697	
(b) Capital surplus	43,462	
(c) Earned surplus	8,697,950	15,739,109
Total liabilities		$27,919,747

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S-W RULES HEARING POSTPONED TWO DAYS

The Federal Communications Commission this week on its own motion postponed from July 12 to July 14th, the hearing set by order of the Commission on June 15th, for consideration of Section 42.03(a) of the rules governing International Broadcast Stations. Section 42.03(a) states:

> "A licensee of an international broadcast station shall render only an international broadcast service which will reflect the culture of this country and which will promote international good-will, understanding and cooperation. Any program solely intended for, and directed to an audience in the continental United States does not meet the requirements for this service."

No action was taken on the petition filed by the National Association of Broadcasters in connection with the hearing because of a request from its counsel that action on the petition of the National Association of Broadcasters be deferred until appearances had been filed on behalf of the licensees of several international broadcast stations.

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TWO NEW STATIONS AUTHORIZED BY COMMISSION

Construction permits for new radio stations in Kentucky and Florida were granted this week by the Federal Communications Commission. The applicants were the Bowling Green Broadcasting Co., Bowling Green, Ky., for a permit to operate on 1310 kc. with 100-250 watts power, unlimited time, and the Panama City Broadcasting Co., Panama City, Fla., for a permit to use 1200 kc., 100 watts power, unlimited time.

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FCC DROPS PRESS ISSUE; GRANTS ALLENTOWN PERMITS

With Chairman Frank R. McNinch still away, the Federal Communications Commission this week settled the Allentown (Pa.) newspaper-radio case and thereby avoided a scheduled hearing and the establishment of a precedent in acting on newspaper control of radio stations.

The hearing had been scheduled in the cases of Stations WCBA and WSAN, Allentown, to transfer to the Lehigh Valley Corporation, which is controlled by the Chronicle & News Corp., which publishes Allentown's two newspapers. Chairman McNinch had contended that a question of "local monopoly" was at issue.

The FCC action was seen as putting at rest, for the time being at least, to any further attempts to deprive newspapers of ownership of radio stations on any other basis than that applied to other applicants.

Commissioner T. A. M. Craven's strong dissent from the action in setting the Allentown applications for hearing brought the whole issue into the open. Commissioner Case voted with him. Pointing out that the applications arise from a relatively small city in one State and do not provide a satisfactory setting for a decision on the policy questions involved, he said a general public hearing of a legislative character is necessary if these policies are to be decided. He said, however, that he saw no necessity for such a hearing since he saw no reason for changing policy with respect to newspaper ownership.

In his memorandum on the Allentown case, Commissioner Craven declared that the only question possibly involved is that of newspaper ownership policy, since there is no opposition to the consolidation of the stations and since better service obviously would result. The fact that the applications have been set for hearing means that a majority of the Commission have already adopted "in their own minds" or contemplate adopting a principle that ownership of broadcast stations by newspaper publishers or by certain kinds of classes of them is contrary to public interest and justifies or requires the denial of any application involving such ownership, he said.

Pointing out that as of January 15th, 238 broadcast stations in the country had newspapers identified with their ownership, Commissioner Craven strongly defended the operation of such stations and classified them as among the pioneers and the most progressive outlets in the industry.

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FCC GRANTS LICENSE FOR NEW N.Y.C. STATION

The Federal Communications Commission this week announced its proposed findings of fact and conclusions proposing to grant the application of Greater New York Broadcasting Corporation for a license to operate a radio-broadcast station in New York City on the frequency of 1100 kc., with power of 5 KW, unlimited time.

Station WPG in Atlantic City, N.J., which now operates on the frequency 1100 kc., with power of 5 KW, and shares time with Station WBIL in New York City, will cease to operate in Atlantic City, and a station in New York City, (WOV), now operating on 1130 kc., with power of 1 KW, will also cease operation and instead a station will operate in New York City on 1100 kc., with 5 KW power, unlimited time.

The Commission's proposed conclusions follow:

"1. The authority requested by the Greater New York Broadcasting Corporation will provide for the people in the service area of the station a better service than is now being rendered by Station WBIL and Station WOV. The people of Atlantic City have indicated a willingness to have the City of Atlantic City sell the facilities of WPG and cease operating that station in Atlantic City and through their duly authorized representatives have agreed to assist in the consummation of the proposal of the Greater New York Broadcasting Corporation to establish a full time station to operate on 1100 kilocycles, with 5 KW power, unlimited time in New York City, despite the fact that this will mean that Atlantic City will no longer have a station on that frequency operating specified hours with 5 KW power.

"2. The establishment in New York City of a radiobroadcast station to operate on the frequency 1100 kc., with 5 KW power, unlimited time, to be operated by the Greater New York Broadcasting Corporation in lieu of the operation of Station WBIL on the same frequency with the same power, specified hours, and the operation of WOV daytime only on the frequency 1130 kc., with power of 1 KW, will not, so far as the record shows, adversely affect the interest of any existing radiobroadcast station by reason of interference or otherwise.

"3. The contract between the City of Atlantic City and the Greater New York Broadcasting Corporation insofar as it deals with the purchase of the facilities of Station WPG is a matter of private concern between the City of Atlantic City and the Greater New York Broadcasting Corporation and does not require Commission consent or approval. Insofar as the application by the City of Atlantic City for assignment of license to the Greater New York Broadcasting Corporation is concerned, the same is dismissed for the reason that, in the view which the Commission takes of this case, the application for a construction permit of the Greater New York Broadcasting Corporation does not involve a transfer of

license now held by the City of Atlantic City to operate a radiobroadcast station on 1100 kc., with 5 KW power, specified hours, in Atlantic City, but in substance and effect involves a request for authority to establish a radiobroadcast station to operate on the frequency 1100 kc., with 5 KW power, unlimited time in New York City. Insofar as the application for construction permit is concerned, no opposition has been filed by any party whose interest would be adversely affected by the granting of the application, and the City of Atlantic City, licensee of WPG, has indicated its desire to sell its broadcast station equipment to the Greater New York Broadcasting Corporation and to discontinue operation of Station WPG in Atlantic City.

"4. The granting of the application of the Greater New York Broadcasting Corporation will serve public interest, convenience and necessity. The Greater New York Broadcasting Corporation should be authorized to commence operation of a radiobroadcast station in New York City on 1100 kc., 5 KW power, unlimited time, upon the surrender for cancellation by the City of Atlantic City of the license of Station WPG."

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MBS TRANSMISSION TO CANADA APPROVED

The Federal Communications Commission this week announced its proposed findings of fact and conclusions, proposing to grant the application of the Mutual Broadcasting System, Inc., Chicago, for renewal of permit to transmit programs to broadcast stations in Canada.

The Commission pointed out that the programs proposed to be transmitted are of the sustaining and commercial type usually and regularly broadcast within the United States and are of entertaining and cultural value to listeners within the United States.

The receiving stations in Canada are all of the Canadian stations regularly licensed, and of those stations, CKLW may be consistently heard within the United States. The method of transmission of programs is by wire line to Station CKLW for distribution to other Canadian stations over wire lines of the Canadian Broadcasting Corporation.

"This record does not disclose sufficient facts to justify station WJBK's claim that it has been impaired by unfair practices", the report stated. "Therefore, at this time, consideration of the maintenance of a free interchange of programs with stations licensed by the Government of Canada outweights the present suggestion of possible adverse effect upon the service rendered by the American station."

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WHEELER DECLINES BID FOR FDR RUNNING MATE

Senator Wheeler (D.), of Montana, who handles radio legislation in the Senate, will not be a candidate for Vice-President on any ticket, he declared this week after reports were published this week that New Dealers had offered him a place as running mate of President Roosevelt.

Senator Wheeler, who is Chairman of the Senate Interstate Commerce Committee, said he will seek reelection to the Senate in 1940.

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WALKER CONFIRMED AS MEMBER OF FCC

The Senate on Thursday confirmed the renomination of Commissioner Paul A. Walker, of Oklahoma, as a member of the Federal Communications Commission for a seven-year period beginning July 1, 1939.

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FCC APPROPRIATION ON LAST LAP; EMPLOYEES ANXIOUS

While employees of the Federal Communications Commission awaited anxiously, Senate and House conferees were rushing the FCC appropriation for the next fiscal year through the last legislative stages on Friday.

The $1,800,000 appropriation, along with other last-minute supply bills, was expected to be signed by President Roosevelt before midnight tonight (Friday) when the fiscal year ends.

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The long-wave wireless station at Caernarvon, England, completed in 1914, is being dismantled. Preliminary tests were being made with America when the World War broke out. During the war the station passed under the control of the Post Office for war purposes and was used for both transmitting and receiving. Latterly, the station has been used for transatlantic traffic and subsidiary services in European and other countries. It was also extensively used for the transmission of pictures to America. Letters could be flashed across the Atlantic at 100 words per minute. The original aerial was 3,900 ft. in length and a second was added subsequently.

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RADIO MONITORING STATION PROPOSAL APPROVED

The Senate Interstate Commerce Committee this week reported favorably a bill asked by the Federal Communications Commission to authorize construction of a radio monitoring station in Massachusetts at a cost of $30,000.

Explaining the reasons for its approval, the Committee said:

"The monitoring station of the Federal Communications Commission, now located at Hingham, Mass., which is used for the monitoring of all classes of radio stations, including ships on the Atlantic Ocean, is no longer suitable for efficient operation in the broadcast band and is not adequately equipped to cover the extension of radio communication in the frequency spectrum above 30 megacycles. The station is now located in the naval ammunition depot by arrangement with the Navy Department and restrictions are required to be imposed as to the antenna structures, as well as to the amount of weight that can be placed on the floors of the building. Also, the configuration of the naval reservation precludes the erection of a suitable type of directive antenna for efficiently monitoring the broadcast bands.

"The increased activity at the ammunition depot, the lack of adequate space for the accommodation of personnel, as well as the factors mentioned above, make necessary the immediate relocation of this monitoring station in order that the Federal Communications Commission may carry out the responsibilities placed upon it by law.

"An investigation has been made and it has been determined that a suitable site can be acquired near Millis, Mass., together with a useable building and other structures, for the sum of $10,000. An additional $5,000 would be required for the removal and reinstallation of equipment, necessary improvements to existing buildings, and small items of additional equipment.

"The growth of the use of the higher frequencies for commercial communications, and the increase in long-range radio interference, have given rise to a need for a long-range method of determining the location of sources of interference of unlicensed or other irregular communications. The Commission, at the present time, has no apparatus suitable for this purpose. In connection with the removal of the monitoring station from Hingham, Mass., to another location, it is desired to install a high-quality goniometer as the first unit of a direction-finding system capable of determining the location of any radio station within the United States. An estimate of $15,000 for the installation of such apparatus is included in the request for appropriations.

"Inasmuch as the problem of the Commission in suppressing interference and operation of unlicensed stations closely ties in with the military activities of the Government in time of war in the suppression of clandestine communications, the desirability of establishing, on a peacetime basis, a system of this nature, has the approval of the War Department.

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TRADE NOTES

A device which eliminates the need for motor-generator sets for television receivers operated in districts served with direct-current power was announced this week by the General Electric Company. It is a new type of vibrator inverter for changing direct into alternating current.

The Federal Communications Commission this week adopted Part 34 of its Rules and Regulations constituting a Uniform System of Accounts for radiotelegraph Carriers having average annual operating revenues exceeding $50,000. The new rules are effective January 1, 1940. This part of the rules will be publish- in the Federal Register. A copy will be available for inspection in the office of the Secretary on and after June 30, 1939.

Exports of radio transmitting sets, tubes, and parts and loudspeakers showed a gain during May while other electrical equipment foreign sales dropped, according to the Commerce Department. Transmitting sets and tubes jumped from $135,916 to $243,228, while loudspeakers rose from $50,862 to $65,301.

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DUE TO THE GOVERNMENT OFFICES BEING CLOSED OVER THE FOURTH OF JULY AND THE FACT THAT IT IS A LEGAL HOLIDAY, THERE WILL BE NO ISSUE OF THIS SERVICE ON JULY 4.

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DOCUMENTARY RADIO OFFERS POSSIBILITIES, WMCA REPORTS

For the past few months WMCA, New York, has been conducting experiments with a mobile recording unit which operates as a newsreel truck in covering events for radio. The system is termed "documentary radio" by virtue of the fact that it provides a permanent record of events. Although no arrangements have yet been made to include the system as a regular feature of broadcasting activities, WMCA this week released a statement of its experiences with documentary radio.

The greatest bar to adoption of "documentary radio" as a permanent institution, according to WMCA's report, is the technical difficulty of making recordings while in motion. The recording apparatus is a sensitive instrument and any sudden jar will upset the sound track and ruin the transcription. Accordingly, WMCA engineers are working on the gyroscope construction principle to keep the equipment stable under all conditions.

Against this defect are listed the following three advantages which, it is claimed, justify continued research: 1. Documentary radio makes it possible to condense several hours of continuous events into a fifteen minute or half-hour program eliminating all uninteresting material. 2. Mobile equipment can be taken into places not possible to reach with ordinary radio facilities. 3. Recordings are more adaptable to program schedules than live broadcasts.

Among the specific instances in which documentary radio has been successfully applied by WMCA are the Papal Coronation ceremonies, Easter Day in New York, Louis-Galento training camp interviews and the Gangplant programs. WMCA also plans to cover the United States Army manouvers at Plattsburg with documentary radio late in August.

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I.T.T. QUARTERLY INCOME $1,219,425

Consolidated income of International Telephone and Telegraph Corporation and subsidiaries for the three months ended March 31, 1939, and 1938, amounted to $1,219,425 as compared with $2,299,336 for the three months ended March 31, 1938, Sosthenes Behn, President, this week reported to I.T.T. stockholders.

Gross earnings and net income of most of the subsidiaries showed improvement in their respective local currencies during the first quarter of 1939 as compared with the corresponding period of 1938.

There was an aggregate of 789,809 telephones in service (excluding Spain) at March 31, 1939, an increase of 17,212 since the first of the year.

Orders on hand of the manufacturing and sales subsidiaries aggregated the equivalent of approximately $67,100,000 at March 31, 1939, as compared with approximately $66,300,000 at the end of 1938.

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Heinl Radio Business Letter.

Jan. - June 1939

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